Mine Stock Options—Jekyll or Hyde? (Page 19)

THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

Largest Circulation of All Canadian Financial Papers

Vol. XXX | Member of Audit Bureau of Circulations | PUBLICATION OFFICE: TORONTO, JULY 25, 1936 | 10c a Copy; $5.00 a Year | No. 30

The Nation's Business

Heading for Another Boom?

It's Something To Be Avoided

Canada's Crops; Badly Hurt But Not Destroyed

Bracken Demands Absurd Guarantee on Wheat Price

Can We Prevent Destructive "Boom"?

THE United States Secretary of Commerce said the other day:

"One of the problems of today is the wise guidance of business to protect it from destructive booms."

It might be remarked by some folks that until we have got out of the current depression it is a little early to worry about the next boom. But it is not too early because the very machinery used to crumble the depression may create the momentum for a new and unwanted boom.

• • •

REVALUATION of gold, establishment of lower banking reserve requirements, issuance of unprecedented amounts of governmental bonds in all countries, development of huge public works projects, wide-spread reduction in interest rates, compromise and liquidation of private debts,—all these are reflationary instruments and it is a short step from reflation to inflation.

Printing press inflation is only one of the dangers ahead. Stock market and business inflation of the type we had during the last costly boom is also a distinct possibility.

The Financial Post recently quoted a British survey indicating that exceedingly large gold supplies in the world have laid the foundations for an international upward sweep in commodity prices.

Business in most countries is getting better despite policies of national self-sufficiency, war threats, droughts, revolutions, and strikes. Instead of collapsing, our economic system seems to be poising itself for another upward leap.

• • •

SURELY we have had enough experience with booms and depressions to know that booms themselves are destructive for they merely create the conditions that precipitate the ultimate collapse. But when governments and banks and businessmen face the issue, will they honestly seek to curb the upward spiral as they have sought to stem the downward trend? The weapons that have been used in one direction are capable of being used in the other. But will they be used?

For example, President Roosevelt is being urged to establish a free gold market in the United States. The theory of it is that as writing up the value of gold is supposed to stop the downward trend of commodity prices, the government ought to have power to write down gold so as to be able to keep prices from rising too rapidly. There may be some doubt as to whether revaluation from time to time of the dollar in terms of its gold content is an effective damper for controlling the fire in the forge of money. But there is less doubt on another point: that politicians, with their hands on the damper, would be less likely to use it to check the flames than to open it wider so as to stimulate the fire of "Prosperity."

• • •

THE Federal Reserve Board across the line has increased the reserve requirements of the banks. Since the banks have excessive reserves in any event there has been no noticeable effect from the move, which under normal circumstances might have had quickly deflationary consequences. But the decision of the board is at least anticipatory and it probably serves warning on the United States that the present controllers of the American banking system intend to manage the country's credit system to iron out business fluctuations, if they can and if the politicians will let them.

Great Britain, the Scandinavian countries and Sterlingaria generally have been on an experimental managed money system for some time. It is now evident that Washington had accepted a similar obligation to provide at least the tools of management.

How well will the world use these tools if a boom threatens?

• • •

No Complete Crop Failure

CANADIAN crops have surely run the whole gamut of possibilities this season. Heralded as "bumper" in mid-June, a few weeks later more excited observers had reduced them to total failure. In both cases something toward the middle course appears to have been correct.

With reserve supplies of sub-soil moisture considerably below normal, abundant crop possibilities in June could not possibly have been fulfilled without rains almost weekly. Such perfect conditions never have occurred even in banner years.

But, on the other hand, it is just as absurd to expect a total failure now. Canada is a big country, with almost as many different climates as there are provinces. The recent heat wave, for instance, never penetrated much farther east than Kingston. Beyond that point and right down to the At-

(Continued on page 2, col. 3)

Beauharnois Under Aegis Of Power Bd.

Que. Commission Passes Montreal Power Plan With Conditions

MAY REFUND LATER

From Our Own Correspondent

MONTREAL. — Montreal Light, Heat and Power Consold.'s proposal for an exchange of its own 3½% first mortgage bonds on a par for par basis for the 5½% first mortgage bonds of Beauharnois Light, Heat and Power Co. has been approved by the Quebec Electricity Commission with certain safeguards to protect the interests of the holders of Beauharnois junior securities.

After pointing out that Montreal Power controls Beauharnois Power Corp., and also is the principal customer of the operating company, the Commission approves the exchange conditional on acceptance of the ruling that when conditions are opportune, steps will be taken to refund Beauharnois Light, Heat and Power Co.'s first mortgage bonds on a lower coupon basis and that the resultant saving in interest charges will be passed along to customers and holders of Beauharnois Power Corp. bonds and common stock.

$23 Millions Involved

At the end of last year Beauharnois L. H. and P. had issued $38,155,900 of 5½% first mortgage bonds. Of this amount $4,795,363 are due from Montreal Power as underwriter of the issue. Another $10 milions are owned by Montreal Power, so that the amount outstanding in the hands of the public is around $23 millions.

Montreal Power's offer to exchange the bonds is good up until August 28, but the company is not obligated to make the exchange unless 80% of the $23 million of bonds are deposited. However it reserves the right to make the exchange if a smaller number of the bonds are deposited.

Pay on Income Basis

It is a condition of the transfer that the Beauharnois bondholders approve amendments to the trust deed providing that interest of the 5½% first mortgage bonds will be paid only out of income on a basis approved by the Quebec Electricity Commission. The determination of the "income" payment is to be made every 6 months of the calendar year.

Failure of the directors to determine the amount within 120 days after the end of the year will constitute a default.

An important feature of the trust deed amendments is that the Quebec Electricity Commission may, after investigations, overrule the default in respect to declaration of payment if the circumstances are such as not to warrant the action. This in effect places the commission in the rôle of guardian for the Beauharnois property.

It is also provided that the sinking fund payments may be waived until 1945.

Junior Holders Wait

So far there is no indication of any proposal being put before the holders of Beauharnois Power collateral trust bonds.

Holders of the collateral trust bonds are not in a position to enforce their security and there is little else they can do but wait until the company's revenues are built up through the sale of additional power or through refunding the first mortgage bonds, when a large share of earnings may be made available for them.

Meanwhile the holders of the 5½% first mortgage bonds will meet in Montreal August 10 to consider the proposal advanced by Montreal Power, while holders of the collateral trust bonds will meet August 20 to appoint a protective committee.

Foreign Trade Sharply Higher

Production of Newsprint Also Feature of Business News

Gains in foreign trade and in newsprint production featured the week's business news. Detailed returns as disclosed by The Financial Post business index of 47 key factors is found on page 7.

			—Change—	
		June	From prev. period %	From prev. year %
Monthly:				
Newsprint prod.,	tons	270,051	+1	+16
Bldg. permits	....	4,560,740	+10	—10
Total exports	....	79,181,200	—5	+35
Total imports	....	61,795,177	+4	+32
Weekly:				
Car loadings ..	No.	47,912	+11	+4
Cattle sales ..	No.	13,160	—1	+3
Hog sales	No.	15,496	+6	+56

Massey-Harris Planning Sinking Fund Adjustment

Directors of Massey-Harris Co. are understood to be working on a plan to deal with arrears of sinking fund installments on the 5% bonds due 1947. The plan has not been completed, but is expected to be ready for the consideration of bondholders soon. It concerns only sinking fund provisions.

The sinking fund originally called for semi-annual installments at the rate of $600,000 per annum, sufficient to retire all the bonds at or before maturity. Operations of the fund reduced the total of the bonds from $12 millions in 1927 to $8.7 millions in 1932.

Requirements of the sinking fund subsequent to April 15, 1933, have not been paid. Hence the need for some adjustment with bondholders.

Our Population Now 10,949,000

Estimated population of Canada in 1935 neared the 11 million mark for a new high figure of 10,949,000, according to the 1936 edition of Canada Year Book just off the press. This is an increase of 7.2% over the official census figure of 1931. It is a gain of over 100,000 from the 1934 estimate of 10,835,000.

The new volume features a special article "Canada on Vimy Ridge" together with many important new statistical compilations and series. It extends over 1,150 pages and may be obtained from the King's Printer, price $1.50.

Barcelona Co. Operates Amid War in Spain

Power Company Seems to Have Escaped Damage

Civil warfare in Spain is reported unofficially to have resulted in 500 deaths and 3,000 woundings in Barcelona, major power market for Barcelona Traction, Light & Power Co. in which many Canadians have investments.

Due to censorship and conflicting reports of the progress of hostilities it is not known precisely how the company has been affected by the fighting. It is apparent, of course, that Barcelona has been the scene of some of the worst battling.

Service Maintained

It is understood that power distribution is being maintained by the company and it is believed that employees are mostly unscathed.

Reports of Barcelona fighting have mentioned that some electric distributing lines in the municipality have been brought down by gunfire. Stopping of tramway operations would not necessarily have a major effect on the power company which supplies the trams with electric current under contract. Damage to distribution lines would only affect a portion of the company's services in Barcelona. There has been no indication of damage to gas or to power plants.

Major Operations

Operating subsidiaries of Barcelona Traction produce and distribute hydro-electric power and bituminous gas in northern and eastern Spain, the chief market being the city of Barcelona. Assets of Barcelona Traction, the holding company, total nearly $90 millions.

Installed capacity of the electric power plants is approximately 435,000 h.p. The organization distributes over 600,000,000 kw.h. of current annually. Gas production is almost 4 million cubic metres annually. Compania Barcelonesa de Electricidad furnishes the electric light and power, and gas for heating and lighting, in Barcelona. This major subsidiary serves a population of 1.2 million. Other subsidiaries serve an even greater population in the province of Cataluna.

Common shares of the company are inactive on Canadian exchanges. They have been offered down to $10 recently, this being the lowest level since September, 1935. A dividend of 75 cents a share was paid last June 29, compared with a payment of 50 cents a share on the same date in 1935.

Maurice Singer Back in Canada

Told by Securities Commission He Can't Operate in Ontario

Maurice Singer, international promoter, has come back to Canada. Last December in England he launched and lost a libel suit against the Daily Mail for its sweeping criticisms of his operations in Great Britain and Europe selling stock of newly-formed Canadian mining companies.

The Ontario Securities Commission officially advised him in an interview recently that he could never hope to operate in Ontario under license.

Singer became a Canadian citizen in 1934 as previously he had been an American citizen and originally a citizen of the lands now merged in Czechoslovakia. His operations have hitherto been on a large scale and once he was associated with Jacob Factor. This he acknowledges but claims he broke with "Jake the Barber" as soon as he learned what Jake had been saying and doing in Great Britain in selling stock of an oil company while Mr. Singer was back in Montana trying to bring wells in.

Can. Malting Sales Boosted, Profits Higher

Prospects for Coming Year Appear Good

DOMESTIC BUSINESS UP

Canada Malting Co. will report slightly higher profits in the year ending July 31, The Financial Post is informed. While no definite estimate of earnings is available it is known that profits will be in excess of the $2.86 a share earned on the common stock in the year ended July 31, 1935.

In the year which is drawing to a close sales have shown a slight improvement over the previous period. For the most part this improvement has been in domestic sales since exports to United States were approximately the same as in the previous year.

The outlook for the coming year is promising, although no sharp increase in demand is in sight at the present time. It is possible, however, that there will be an increase in export business as a result of the failure of the barley crop in the western states. American malt manufacturers are already seeking barley from Canadian sources and it is possible they will be unable to obtain sufficient to meet their needs, especially since the Canadian barley crop is itself none too good.

As a result of the crop failure in United States the price of Canadian barley has advanced sharply. While this will mean increased costs for Canada Malting it is not expected it will have any effect on profits since the increased cost will be passed on to the purchasers of malt.

Highlights

Bridge-built Boom

British brewery funds finance new Pacific gateway and large-scale real estate development at Vancouver. Page 11

Politics and Utilities

Possible political interference beclouds outlook for operations of Quebec utility companies. Page 3

Shrewd School-teachers

Teachers' Investment Securities Ltd., Oshawa, Ont., is unique investment trust with enviable depression record. Page 16

Free Gold Market

Talked-of establishment of free market in U. S. might lead to higher prices for yellow metal, experts believe. Page 19

Investor's Index

INDUSTRIALS AND UTILITIES

Auditorium Ltd.	12	Fine Foods of C.	4
B. C. Power . .	3	G. Motors, S.A.	11
Anglo Nfld. . .	13	Ham. Bridge .	12
Asbestos Corp. .	5	Hinde & Dauch	4
Bruck Silk . . .	20	Indus. Accept. .	16
Brazilian Tr. . .	3	Int. Power . . .	3
B. C. Packers . .	4	Jamaica P. S. .	3
Barcelona Tr. .	1	Lloyd's	16
B. C. 'Phone . .	5	L. L. & Globe .	16
Bk. of Canada.	15	Loblaw	13
Beauharnois . .	1	Massey-Harris .	1
Can. Cement . .	12	Mont. Pwr. . .	3
Can. Nat. Fire .	16	Mexican Pwr. .	11
Can. Converters	20	N. W. Utilities	12
Can. N. Pwr. .	3	Niagara Wire .	12
Can. Hydro-El.	3	Ottawa Pwr. . .	3
Can. Vinegars .	12	P. T. Legare . .	11
Can. Malting . .	1	Quebec Pwr. . .	3
Canada Bud . .	4	Royal Bank . .	15
Canada Dry . .	4	Regent Knit. . .	5
Canada Wire . .	3	St. Cath. Imp. .	20
Con. Life	16	St. J. Drydock.	3
Con. Gas	12	Shawinigan . .	3
Corp. Investors .	4	St. Lawrence P.	12
C. N. R.	13	S. Can. Pwr. . .	3
Credit Foncier.	13	Teachers Invest.	16
Dom. Stores. 4,	13	T. E. Bissell . 4,	13
Dom. Explosive	20	United Steel . .	4
Dom. Tar . . .	4	Un. Fuel Imp. .	13
Enam. & Heat. 4,	13	United Fuel . .	4
Ford of S. A. . .	11	West. S. and L. .	12

MINES AND OILS

Aldermac . . .	18	Howe Sound . .	18
Bulolo	19	Horseshoe . . .	18
Bidgood-Kirk. .	18	Kaw Krow . . .	18
Brownlee Mines	19	Kenora Prosp..	18
Bouscadillac . .	1	Kingston Mines	19
B. C. Nickel . .	18	Lake Maron . .	19
Br. Petroleum .	19	Lake Shore . . .	2
Centl. Manitoba	18	Model Oils . . .	4
Can. Mng. Proj.	19	McMillan	4
Cent. Porcupine	18	New Augarita .	19
Chromium Mng.	18	O'Brien Gold. 1,	18
Cons. G. Alluv.	18	O'Brien Gold . .	18
Dorval Siscoe .	19	Pickle Crow . 2,	18
Darkwater . . .	18	Pr. Albert Gold	18
Duport	18	Que-On Mines .	18
Dome	18	Rahill R. L. . .	18
East Malartic .	19	Reliance Gold .	18
Francoeur . . .	19	R. L. Gold Shore	18
Flin Flon Gold .	19	Sladen-Mal. . .	15
Gold Eagle . . .	18	Shinintree Gold	19
Gale Gold . . .	19	Un. Empire Gold	18
Gomak	2	Winoga	18
Halliwell Gold .	19	Waterloo Cons. .	13

QUOTATIONS

Stocks	14	Mines	14
Bonds	14	Grain	17

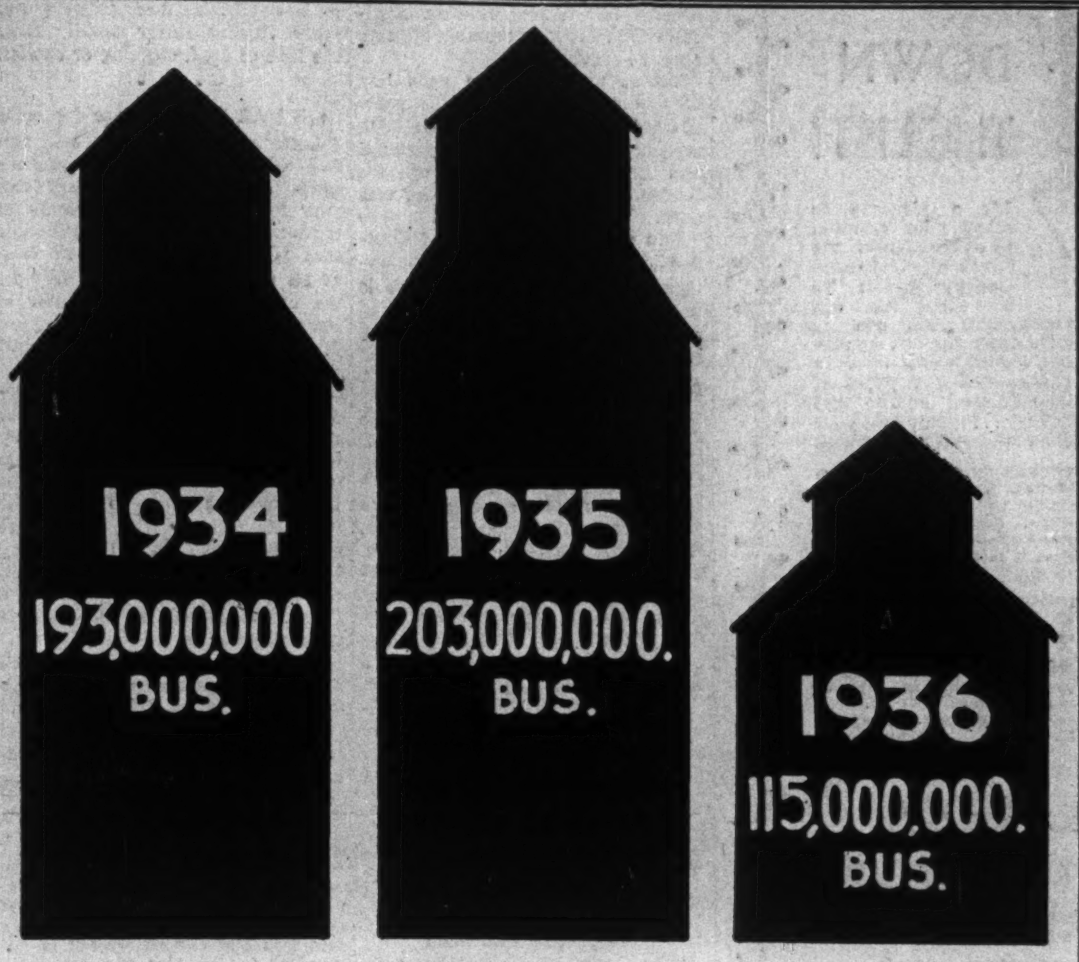
Foreign Exchange . . . 5

REGULAR FEATURES

Banking	15
Bond Markets	5
Business	7
Company Earnings	13
Construction	9, 10
Dividends Declared	4
Editorial	6
Grain	17
Insurance	16
Investors' Enquiries	12
Investment Trends	4
Investment Notes	4
Mining	18, 19
Municipal Finances	5
Public Utility Earnings	3

Like Canadian Horses

Twenty Canadian draft geldings shipped to Aberdeen, Scotland, from Montreal recently, are described by the Glasgow Herald as a splendid lot. Five-year-olds sold from £52 ($260) to £89 ($445) and six-year-olds from £57 ($285) to £60 ($300). One horse realized £93 ($465).



CANADA NO LONGER HOARDS WHEAT

Carryover of Canadian wheat in merchantable positions is expected to be approximately 115 million bushels by the end of the current crop year next Friday. The chart shows the comparison with 1935 and 1934 when the world was giving the preference to lower priced Argentine and Australian grain. Previous to the holding policy of the wheat pools and later the McFarland Board, Canada's carryover at the end of the crop year averaged around 50 million bushels. Such a figure is seen possible by 1937.

Security Commissioner Defends Licensing Men With Jail Records

Godfrey Says Each Case Decided on Its Merit

NO "INFLUENCE"

John M. Godfrey, Ontario's Security Commissioner, denies the rumor that governmental or ministerial influence of any kind has had anything to do with the fact that some men with jail records have been selling securities in Ontario.

"No man who has been licensed to sell securities in Ontario has got the right without full consideration being given to his known record and he has the right only so long as he can show good behavior," replied Mr. Godfrey to The Financial Post, who asked him for an explanation.

Free From "Influence"

"As to the rumors that political influence is beginning to have an effect on the decisions of this department they are wrong. There is no department so free from political influence as this one. The Attorney-General has given me an absolutely free hand and has never asked me to do anything. People often attempt, it is true, to go over my head to the Attorney-General but I don't think they have ever got any satisfaction from him. I may say the same thing with regard to the Prime Minister and every other member of the Cabinet.

"Whatever happens within the jurisdiction of this Commission, I am responsible. The mistakes are mine. I cannot put them off on anyone else. A Conservative lawyer coming here gets exactly the same treatment as a Liberal lawyer. We have to be high-handed at times here when a situation appears to be bad, but we aim to be fair and not moved either to the right or the left of what the law requires by either friendship or the reverse. I know and all the officers of the Commission and every member of the Government know that to let politics get into this Commission would be the worst of politics. If politics ever gets into a Commission like this, God help it. I can assure you that the Prime Minister feels exactly the same way about it."

What Guides Action?

"Can you give the public, then, some understanding of the principles that guide your department in giving registration to people?" asked The Financial Post. "For instance, every live financial man knows that some men who have been in jail on charges of breaking the law with regard to securities or financing, are today selling or dealing in securities. They know that no salesman of good or bad securities can sell without being licensed from your department. They know that no issue can be sold within the province if the prospectus is not approved by the proper officials. They know you have the right of making surprise audits of the books of any broker or investment dealer; and that you have asked all non-member brokers and investment dealers to give full annual reports on their operations.

"Apparently then these men are operating with your consent," said The Post. "Is it because you feel these men should have fair play, be given another chance to make their living in the trade or profession or business which they know? Banks will not re-employ an absconding cashier when he gets out of jail. They are willing for him to make a come-back in any way which does not involve the handling of money or trustee relationship of any kind. They say that jail does not usually

(Continued on page 2 col. 6)

High Pressure Group Find Canadian Trip Profitless

Montreal and Toronto have just had an invasion of one of the greatest collection of high pressure financial promoters Canada has even known. Their hopes of opening up new bases for operations frustrated by official vigilance, most of the financial wolves have departed empty handed.

Prosecution after prosecution by the Securities and Exchange Commission at Washington is keeping the financial underworld on the move. They just get a promising stock racket going with a few nibbles after they have spent thousands of dollars for bait when the U.S. authorities have swung into action.

Giving Cities "Once Over"

The reason for their visiting Montreal and Toronto was to get a line on the possibilities of using Canadian stock exchanges and Canadian brokerage and investment dealer firms for stock sales in shoving stocks higher and higher while unseen promoters pulled the strings and unloaded.

Both in Montreal and Toronto various visits of these men have been under surveillance by Securities Commissioners, the Montreal and Better Business Bureau and by committees of the Montreal and Toronto Stock Exchanges. Even where proposals made in various offices were perfectly legal, the old records of these men made it seemed desirable to hesitate about allowing Canadian brokers to participate in large-scale business offered. Even where it was plain the object was to fish from outside the United States for the savings of United States citizens, it was felt that Canadian official bodies could not escape moral responsibility for any further damage that might occur.

Some Still Here

Nothing overt was done but the Immigration Department at Ottawa has taken a great interest in the matter. Most of the men have given the Canadian field up as a bad job and have returned to the United States. It is known that they have left behind them some smart men who have the advantage of not having a record known to the police and to Better Business Bureaus.

The Financial Post has followed the meanderings of these men in Canada. The public should know, however, that operations consisting of the old game of selling almost worthless securities to Ontario citizens from Montreal have been started already on a small scale by persons whose antecedents are not known. So far close watching shows no sign of any illegal acts but when wolves are abroad, vigilance is necessary.

Find "Fixing" Fails

One encouraging circumstance is that never before were such visitors followed with such keen scrutiny. Some came up with the belief that it would be easy in Canada to corrupt legislators, commissioners, civil servants and court officials. They went back disillusioned so far as important men were concerned. They found they could do business but doubted very much if they could make money when everybody seemed so vigilant.

O'Brien Gold Mines Boosts Capacity of Present Mill

From Our Own Correspondent

MONTREAL. — O'Brien Gold Mines is starting work immediately on doubling the capacity of the present crushing, concentrating, roasting and cyaniding plant, according to a statement issued by J. L. Murray, president.

"In view of the recent spectacular high grade ore encountered west of the shaft," the statement says, "it has been decided that shaft sinking shall be continued for a further 500 feet. From now on production will be progressively increased. The problem of estimating the value of the high grade ore recently encountered on the 5th, 6th, 7th, 8th and 9th levels is accentuated because this ore is of such a spectacular grade. Development work to date, however, indicates that this new ore, which has been definitely established for a depth of 525 feet has added several million dollars to the future net profits of the O'Brien property."

Bouscadillac Gold Sell Block of Stock

McCuaig Bros. Market 800,000 Shares at 30 Cents Each

From Our Own Correspondent

MONTREAL.—McCuaig Bros and Co. have sold 800,000 shares of Bouscadillac Gold Mines at 30 cents a share.

The company was incorporated early this month for the purpose of acquiring property owned by the Graham Bousquet Gold Mines and has an authorized capital of 3 million shares of $1 par value each. Of the latter number, 1,100,005 have been issued and are held in escrow until July 2, 1937. The balance remain in the treasury, but McCuaig Bros. and Co. and associates have purchased or hold options to purchase 1.8 million shares.

The properties of Bouscadillac Gold Mines consist of 10 claims in the eastern part of Bousquet Township, Abitibi County, immediately adjoining the property of the Thompson-Cadillac Mining Corp. on the latter's western boundary. With the price of gold now approximately $35 an ounce, the property is considered as having promise. In the opinion of Andrew Walz, consulting engineer, the expenditure of capital is justified for the exploration of the property.

Canadian Fire Loss Down $2.2 Millions

Canadian fire losses in 1935 totalled $23,221,521, continuing the downward trend since 1932. Reduction from the previous year was more than $2.2 millions, or 8.7%. The 1935 total was less than half that in 1931.

On the other hand, fatalities from fire jumped from 268 in 1934 to 293. The number of fires during the year dropped 1,154 to 42,468.

Crop Damage Over Prairies Still Spreads

Prospects Now Point to Smaller Crop Than Year Ago

NOT BAD IN NORTH

From Our Own Correspondent

WINNIPEG.—New drought and heat have increased the area of crop destruction over a large part of western Canada. The acreage of failure is probably the largest ever.

The past few days, however, have seen a fair amount of local precipitation, some of which has come too late to be of any benefit except for increasing prospective feed supplies.

In a few districts where crops have remained fair there is some fear of rust. But it is generally supposed that the crop is too far advanced toward maturity for damage of this sort to be very extensive. Some fairly large losses from hail have taken place and also from grasshoppers.

Poor Crop Certain

General opinion now does not put the western wheat crop at much more than 200 to 250 million bushels. This would be one of the smallest crops in 20 years.

Both barley and oats crops are bound to be light. But the full extent of damage done to oats is difficult yet to determine. Some crops which make a fair showing are believed to have very light heads, which will give disappointing results at threshing time.

First cutting of wheat is already under way and harvest as a whole promises to be exceptionally early.

Beginning in southwestern Manitoba this devastated area extends across the southern part of the prairies, clear to the foot-hills, with some isolated districts of comparatively small extent which have done better. It extends up the western side of Saskatchewan and the eastern side of Alberta, with conditions being slightly better toward the north.

Alberta Hard Hit

Very little of Alberta, except the Peace River country, is in good shape, although conditions north of Red Deer are better than in the country south, and throughout the province a great deal of very light crop will probably be cut. Alberta has been harder hit than either of the other 2 provinces.

Saskatchewan still contains a large area, representing perhaps half of the seeded acreage on which conditions range from fair to very good, and there is still a good deal of excellent crop in Manitoba. Where crops were amply supplied with moisture, as was the case in part of the west, they bore the tremendous heat of July surprisingly well.

Rain Still Needed

Much of the crop which is still in fair to good shape needs a good deal of rain yet to bring it to a satisfactory harvest, although there are places where a good crop seems practically assured. The rain which has fallen during the past month has not at any time been general over the west, but showers of varying degree have been fairly widespread.

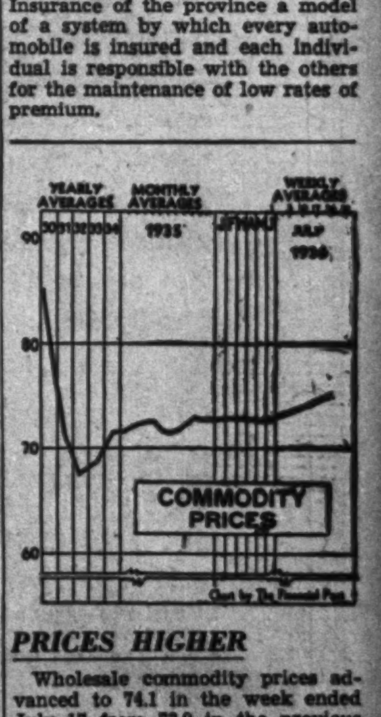
How badly off the west will be for livestock feed is still to be determined. A good deal of wheat, given rain, might still produce something for this purpose. Oats and barley have suffered along with the wheat, in some cases even more severely.

Compulsory Car Insurance Sought by Quebec League

From Our Own Correspondent

MONTREAL.—Compulsory insurance on automobiles in Quebec, will be urged on the government by the Province of Quebec Safety League immediately after the elections next month.

The League has already placed in the hands of the Superintendent of Insurance of the province a model of a system by which every automobile is insured and each individual is responsible with the others for the maintenance of low rates of premium.



PRICES HIGHER

Wholesale commodity prices advanced to 74.1 in the week ended July 17 from 73.9 in the previous week, according to the index compiled by the Dominion Bureau of Statistics.

MEN'S SHOP

RIGHT DOWN THE LIST!

It's a pleasure to select your vacation clothes from the Men's Shop, Eaton's-College Street! To find that this one convenient shop can go right down the list, supplying almost every need in clothes and accessories of unquestioned style and quality . . . to suit both your good taste and your budget!

SPORTS JACKETS — English all-wool flannel, dark blue, in single and double breasted styles. Sizes 36 to 44. Each, $15.00. English all-wool tweed, sizes 36 to 44. Each $18.50 and $20.00.

FLANNEL TROUSERS—English all-wool flannel, in grey, tan, or cream. Pair $5.00 to $10.00.

Worsted Flannels (all-wool) in pin stripes, checks and patterns, as well as cream and grey. $8.50 and $10.00 the pair. Sizes 30 to 42.

MEN'S SHOP
BAY STREET SECTION
EATON'S - COLLEGE STREET

The Threat from Japan

BY WILLIAM L. HOLLAND

Research Secretary, Institute of Pacific Relations. Briefed from the Far Eastern Survey

Japan's trade boom has been a "profit boom" at the expense of the Japanese agricultural population and has brought no permanent reward to the industrial working classes.

It is this fact, rather than the threat to foreign competitors, which is one of the real menaces of the Japanese trade gain.

The purchasing power and real earnings of Japanese workers have diminished 7% since 1932, thus wiping out the advance gained in real wages during 1931, and 1932. The evidence shows, however, that even during the depression the Japanese industrial worker fared relatively better than many groups of American industrial employees. For all his low absolute level of earnings, the Japanese worker did not suffer such a catastrophic reduction of income as did the American worker after 1930.

The immediate outlook for the American or European exporter is not comforting. Without a very great expansion of world trade or a radical reversal in Japanese internal policy in favor of higher taxes and wages—neither of which seems likely—there is grave risk that the position of Japan's working classes will deteriorate still further. Such a development, though calamitous for Japan and possibly for world peace, would not necessarily aggravate the present competition from Japanese exports. Such competition is probably destined to continue inevitably with the technical progress of Japanese factories. For the same reason, a reversal of present wage trends, in the direction of raising Japanese workers' purchasing power, would not necessarily mean a prompt slackening of Japanese competition abroad.

Whether the menace of Japan capturing foreign markets is greater than that of a Japan forced into internal rebellion, or further imperialist aggression, by trade restrictions or other retaliatory measures, is a question to be pondered by the statesmen in Washington, London, Berlin and Moscow.

St. Lambert's Default Officially Announced

Official announcement of default by the city of St. Lambert, Quebec, has been made by the Quebec Municipal Commission.

Action by the commission followed a petition from the city council asking the commission to declare the city bankrupt.

Early this year it was thought that the financial difficulties had been solved when a refinancing scheme was approved by bondholders and by the city. At the time of the dissolution of the Quebec legislature, the special bill giving formal enactment to the scheme had not been considered and as a result it has been necessary to abandon the scheme.

Pickle Crow Gold Has Record Quarter

Production at Pickle Crow Gold Mines for the quarter ended June 30 last, reached a new high of $410,529, as compared with $394,617 for the first quarter, it is learned officially.

During the quarter the mill treated an average of 148 tons per day, and while this was slightly lower than the previous quarter, grade was up $2.36 per ton, thereby increasing the second quarter's production by about $16,000.

AT HOME AND ABROAD

The Royal Bank serves Canadians both at home and abroad. In London, one branch of the bank is situated across the street from the Bank of England; another just off Trafalgar Square beside Canada House. In Paris and Barcelona, branches are also maintained. These overseas offices of The Royal Bank extend to Canadian enterprise every banking service and to Canadian visitors a friendly welcome.

THE ROYAL BANK OF CANADA

OVER 700 BRANCHES IN CANADA AND 30 OTHER COUNTRIES

The Nation's Business

(Continued from page 1)

lantic, crop conditions are described as fair to excellent. In central Ontario, while the recent drought was almost unprecedentedly severe, there are, nevertheless, many sections and many crops which have come through with fair results. On the prairies close to last year's 260 million bushel wheat crop is still a possibility. Larger areas in the central and northern districts promise fair to good returns. Agriculturally, British Columbia appears almost normal.

Before the drought a good hay crop was produced in many parts of Canada, while general rains from midsummer on will revive pastures and produce still more winter's fodder to be turned into beef and milk.

In a country as wide and diversified as Canada anything in the nature of a complete crop failure is unthinkable, if not impossible.

• • •

Premier Bracken's Absurd Demand

PREMIER BRACKEN of Manitoba is reported to have said, during the course of the Manitoba election campaign, that the Dominon Government should be expected to guarantee to western farmers, through the Canadian Wheat Board, a basic price of $1.25 a bushel during the coming crop year. That report will not enhance the reputation for wisdom of the Manitoba Premier, of whom Canada as a whole is accustomed to think well.

Such a price, as Mr. Bracken correctly pointed out, is not high in relation either to pre-war prices or to farmers' costs of production, and it is perhaps not unreasonable to hope that the market will provide such a price. But the Dominion Government is unable to guarantee to western farmers, or to any other body of people in Canada, that their work shall be produced on a profitable basis. Governments — and Premier Bracken should know this well — have too many other demands upon them, and especially to see that neither farmers nor other citizens suffer unduly from the lack of food, clothing or shelter.

• • •

AS HAS been the case for some years past, the West will undoubtedly be making large demands upon the Dominion treasury this year for farmers, who, because of the weather and not because of their own fault, have produced no crop at all this year. To such farmers the price of wheat is a matter of indifference, except that many of them will have charged up against them higher prices for seed and feed grain with which they may be supplied. Whatever money can be spared from the Dominion treasury for the benefit of western farmers next year will be required by those who have not grain to sell. The fortunate farmers who do produce good crops, and there undoubtedly will be many thousands of these, neither need nor are entitled to a bonus, at government expense, on their production.

From a man in Mr. Bracken's position a greater sense of responsibility is expected than is evident in the encouraging of increased and impossible demands on public treasuries.

The Noble Red Man

By ISABEL PATTERSON

In the Book Review column of the New York Herald-Tribune

"The Gospel of the Red Man: An Indian Bible," by Ernest Thompson Seton eulogizes, with a touch of indignation, the virtues of the Indian. Mr. Seton's noble red man is distinctly in the classic tradition; he is held up as an exemplar and a reproach to shame the white man out of his vices. The book is largely composed of quotations from various sources, many at first hand, testifying that the Indians were brave, religious, honest, truthful, kind, hospitable, clean and usually chaste. Such uniformity in well-doing sounds almost angelic, and one suspects there must have been a few variants, all in the family.

Price of Hardiness

Some of the good qualities were inescapable in the conditions. One may well believe that most Indians were healthy. They were either healthy or dead. An Indian who wasn't would not survive long in the nomad life of the wilderness. Civilized women are frequently told how little fuss savage women make about child-bearing. This is probably true; but the savage woman dies if she is delicate. And her child dies. That is the price of such hardihood, and it can be attained in no other way.

Likewise, Mr. Seton stresses the fact that theft was practically unknown among Indians. Knowing the conditions of their existence, this might be taken for granted. There wasn't much to steal, and no chance whatever to use or enjoy or dispose of a stolen article if one had yielded to temptation.

Property was largely communal. It is bound to be when a race subsists mainly by hunting, and the storing of food or goods is possible only to a limited extent. If a man brings in a deer, he might as well let everyone have a share and take his share of the next deer. He can't be sure when he will get more game himself, and he can't carry his kill about with him handily.

Physical courage and endurance are also the inescapable conditions of survival for nomads.

Static Cultures of Indians

The "state socialism" of Peru was not communal in the same sense; it was a singular blend of fuedal aristocracy and bureaucracy, with none of the equality and liberty of the North American Indian. It is hardly fair to quote both against the white man.

And the distinguishing mark of both savage and civilized indigenous American cultures was that they were static. The ethical and social values were posited on an unchanging way of life, without science, invention or speculative thought. Some science, invention and theory are found in any culture, and it is impossible to say that the American cultures might not have evolved farther in both material knowledge and abstract thought; but the qualities Mr. Seton finds to praise among the Indians are universal human qualities brought out or enforced by their specific mode of life. Obviously, Mr. Seton would not know that the Indian virtues were virtues if the European tradition did not contain them and define them as such. But a reminder never does any harm.

Drastic Remedy

Mr. Seton concludes: "The civilization of the white man is a failure; it is visibly crumbling around us, . . . We offer you the Message of the red man, the Gospel of Manhood. We advocate his culture as an improvement on our own."

Maybe so; but it would be necessary to take it exactly as it was, without modern improvements. And the first requisite would be to kill off, or allow to perish, most of the white population, until the numbers were reduced to those of the Indians before the white man came. It seems a drastic remedy.

Besides, as soon as we attained that happy condition the Europeans would undoubtedly come over again and civilize us as we civilized the Indians.

Capacity of Gomak Mill To Be Boosted by 50%

From Our Own Correspondent

SUDBURY.—Daily mill capacity at the Gomak Mines, operated by Porcupine Crown Mines, in Chester township, Three Duck Lake area, is being increased by 50%, and installation of a Diesel unit is now under way, according to Russell D. Jones, general manager. This development was forecast by Mr. Jones at the recent meeting of Porcupine Crown shareholders, as the result of the improving ore picture. Mill heads at presnt are averaging about $26 per ton, according to Mr. Jones's report, with jig concentrates running $496 per ton and tailings 70 cents.

Exploration of the main vein has been proceeding, and the manager reports the diamond drill hole recently put 700 ft. west of shaft has indicated the continuation of the ore body for this length.

N. S. Dairying Grows

Nova Scotia's dairy production showed a decided increase in June, 1936, with 861,496 pounds, compared with 637,295 pounds in June last year.

Gouin May Have Influence To Swing Quebec Election

From Our Own Correspondent

MONTREAL.—Alliance Liberale Nationale will not have any official candidates in the provincial election next month, thus leaving the field to the Liberals under Adelard Godbout and Union Nationale under Maurice Duplessis, but Paul Gouin, leader of the A. L. N., states that before election day he will indicate in what way, in his opinion, A. L. N. partisans should mark their ballots.

While the withdrawal of Gouin and his adherents would seemingly clear the air, it has made the situation more confusing. The A. L. N. was strongly opposed to the Taschereau regime and may not have much sympathy for the reorganized party under Godbout. At the same time Gouin's split with Duplessis over the apportioning of candidates, has not made for friendly relations. Gouin still has a large following throughout the province and he may have sufficient weight to influence the election in favor of either party.

Meanwhile public interest in the forthcoming election has not assumed any broad proportions. Interest is not expected to develop until later in the month. In the public addresses made by Godbout and Duplessis to date, both have promised a thorough house-cleaning of the government departments. Premier Godbout has tended to handle this matter with kid gloves, but not so Duplessis who brought to light the scandals in administration which caused the downfall of the Taschereau government.

ADELARD GODBOUT

Sufficient material has been uncovered to show that deplorable conditions exist or existed in the provincial government affairs. Public sentiment is in favor of a change, but both parties are well organized and at this time it is not safe to assume that either party will be returned with a working majority.

Finds Ontario Hydro Is Lacking on 2 Counts

Public Relations, Safeguards to Personnel Cited by Prof. Brady

The 2 serious weaknesses of Ontario's Hydro-Electric Power Commission as disclosed in public discussion of recent years are: first, the taking of insufficient pains to secure public confidence by providing aggressive publicity for its transactions, and second, in failing to provide to its expert personnel, adequate protection from political attack.

This is the dictum of Professor Alex Brady of the University of Toronto in a paper on Ontario's Hydro presented recently before the annual meeting of the Canadian Political Science Association.

"A public relations branch," thinks Mr. Brady, "could perform work of genuine value, provided that it was competently staffed and honestly managed. Clumsy and deceitful work of this kind would be fatal. A more intelligent discussion of Hydro problems by a better-informed public would be the most creative stimulant to the administrator, precisely as stupid and ill-informed discussion must discourage and destroy initiative. The relative absence of an intelligently critical opinion is an ominous fact for Canada's exhibit No. 1 in public ownership."

Typical Case History

Mr. Brady traced the history of Hydro from its inception as a typical case history of a public utility. He showed the close relationships which have always existed between that body and the Ontario government, and stressed the reasons why Hydro became so readily a political football after the death of Sir Adam Beck. Vexed questions such as power contracts and long-term planning for future have all made the big Ontario utility an easy target of political attack, says Mr. Brady.

Some, but not all, of the criticism could and might have been avoided, thinks Professor Brady, if a different policy in respect of public relations had been followed. "The information offered through brief newspaper comments was inadequate," he says.

"All the major transactions required a full explanation and a detailed defense in order to destroy the opportunities for misrepresentation. Yet this thorough publicizing was not attempted. On the contrary, it was shunned on the assumption that since no private corporation did such a thing it was improper for the power commission to do it.

Cannot Be Secretive

"There are doubtless always some facts which it is unnecessary or inexpedient to disclose, but a public utility, especially when it is a monopoly with no profits to conceal and partly dependent on the government for finance, cannot be conducted as a private and secret business. It must continuously feed the public with such information as will make misrepresentation difficult."

He quotes an estimate that perhaps as high as 90 per cent of all articles and editorials that appear in the British press relative to the national electricity development are written in the public relations department of the central electricity board.

"The logical concomitant of public ownership is the thorough informing of the public concerning the enterprise. The skilled employment of publicity in the broader and more wholesome sense of the term is a necessary addition to other administrative techniques."

Failure of Etiquette

Mr. Brady also elaborates on his second point of comment—namely, the unwitting intrusion of Hydro's permanent experts into the public discussion of those things which had virtually become political issues. He feels the commission "failed to afford that protection for the expert from political attack which has been traditional in the ordinary department of government under the British cabinet system."

Mr. Brady sees little chance of Hydro ever being divorced from politics unless a return is eventually made to the system somewhat like that visualized by Sir George Ross in 1903—namely, the ownership of the system by the municipalities. Since at the present time they own but a small portion of the investment and there seems to be no general demand for such a plan, the prospect is seen as remote.

Dr. Dafoe Discusses C.N.R.

Leading the discussion on public administration before the Canadian Political Science Association, Dr. J. W. Dafoe of Winnipeg discussed broadly the whole question of public utilities and their administration. He cited the Canadian National Railways is the outstanding Canadian example of public ownership, using the experience of government operations in recent years as confirming his major thesis—namely "that the ultimate control of a publicly-owned railway—or a publicly-owned anything else—is an inescapable responsibility of the government which it pleases the Canadian people (its owners) to maintain in office.

"Since this responsibility cannot be dodged or shifted, the procedure by which it operates needs to be clarified and regularized," Dr. Dafoe maintained: "There is agreement that the railway is not to be operated as a department of government, but by a corporate body. The discussion centres about the natures and powers of this corporate body. The fact must be faced that this corporate body must be created and endowed with power by the shareholders, the people of Canada, whose only available agent in the act of creation is the government of the day—necessarily a party government.

Division of Rights

"The corporation must be given complete powers of operation and extensive but not exclusive powers in the making of policies. In this field the government must have the rights and powers which always belong in a commercial enterprise to the shareholders.

"But where the power of intervention is exercised it should be in the open and a matter of record for the information of the people. The necessity of intervention in the interests of the community must be established. The use of these powers for less than a community interest—that is for the advantage or the comfort of a party—should be regarded as a breach of trust for which the government responsible will be held accountable. The convention differentiating between the rights of the community and the interests of a party must be established and kept operative by the alertness of the people.

"The Canadian people are developing a technique for the management of public utilities which on the one hand will protect them from exploitation by political as distinguished from public interests, and on the other, will not turn them over to be the special charge of a handful of men who if they choose can be a law to themselves. In keeping with this development, the Canadian National Railways will be administered by a public trust, not divorced from the democratic system by which this country is governed. This will ensure it the friendly and constant co-operation of the public."

Elect Justin M. Cork To Loblaw Directorate

Justin M. Cork, Toronto, son of President J. Milton Cork, has been elected a director of Loblaw Groceterias Co. He replaces M. W. Waddington who has resigned.

At the recent annual meeting, shareholders were informed the improvement experienced in the year ended May 31, 1936, has continued into the new fiscal year. Sales for the 1935-36 year totalled $16.3 millions, compared with $15.5 millions in the preceding year.

Earnings on the class A and class B shares were the equivalent of $1.11 a share, compared with $1.08 in 1934-35.

Licensing of Men Defended

(Continued from page 1)

make a crooked man straight. It often makes him worse and if he is better it has to be demonstrated afterwards. What do you say to that?"

Decided on Merits

"I do not think that you can lay down any general rule that you can stick to," replied Mr. Godfrey. "You have to deal with each application for a brokerage or salesman's registration individually on its merits. I have given some people a second chance and in some cases it has worked out well. In several cases I have put men on their honor and I think they would hesitate a long time before they would throw me down.

"If a man who has been in jail gets a license, it is because the whole circumstances of the case have been reviewed. If his infraction of the law did not involve dishonesty or intentional illegality and we believe he is likely to go straight and has every reason to go straight, then he may in these exceptional circumstances get a license. Some men are being carefully watched in their operations where we have been doubtful and we have been glad to find that they have been doing really worth-while work.

"There is another type of salesman who simply cannot make a living honestly. It does not seem to be in him to represent a case truthfully or to stick to the spirit of the regulations regarding stock-selling. That type of man must be put out of business and kept out all the time. It does not matter whether he has ever been before a court or not. We don't want him and we want to get rid of him. It comes back to this: every case must be considered individually, fairly and yet, realistically.

Up to Applicant

"Generally speaking, we are trying to be much stricter in the matter of registration. We have shifted the onus to the man himself of proving he is desirable before granting registration. We are able to do that without hurting any real interest because there are enough brokers, salesmen and investment dealers now in Ontario to serve the needs of all investors. We cannot shut a good salesman out but we can keep raising the standard."

Lake Shore Earnings Seen On Par With 1935 Period

An increase in bullion production is shown by Lake Shore Gold Mines, in its report for the fourth quarter of its fiscal year. For the year ending June 30, 1936, bullion income, exclusive of exchange, amounted to $9,634,823, as compared with $9,576,040 in the 1935 fiscal year.

Tonnage milled during the past fiscal year was 873,101.

It is expected the forthcoming annual report will show earnings per share somewhere in the neighborhood of the $4.11 earned last year.

Winnipeg Stocks

(Transactions from July 12 to July 18)

	Sales	High for period	Low for period	Close July 18
Can. Rand.	6,350	.13	.11	.12
Cons. Goldfields	11,450	.35	.32	.35
Clover Gold	1,500	.16	.15	.16
Crescent C. p.	5	33.00	33.00	33.00
Flin Flon	14,200	.30	.23	.30
Gold Lake	11,741	.41	.38	.40
Gurney Gold	9,200	.53	.46	.53
Gold Island	25,960	.22	.20	.22
Kingfisher	2,500	.02½	.02	.02
Ore Grande	25,900	.23	.20	.22
Pine Lake	1,500	.08	.07	.08
Sachigo River	885	15.00	13.50	15.00
Packsack	200	.20	.20	.20
Rice Lake	1,050	.11	.09	.09
Scotia	4,000	.07½	.07	.07
United Grain	80	13.00	12.50	12.50
Wingold	1,600	.08	.07½	.08
Wylie Dom.	1,850	.49	.43	.46
Wallace Lake	3,000	.03½	.03½	.03½
Vanson Man.	3,830	.03	.02½	.02½

Stocks Not Traded in During Week*

	Bid	Ask
Beaver Fire Ins.	..	100
Can. Indemnity	135	..
Comm. Securities	..	10
Dom. Envelope, com.	1	1½
Home Invest.	24	..
Northern Trust	..	91

*Stocks more active on other exchanges not included.

Head Office; Montreal

World-wide organization . . . offices in the financial centres of the world . . . correspondents everywhere.

MODERN, EFFICIENT BANKING SERVICE
. . . . the outcome of 118 years' successful operation . . . .

BANK OF MONTREAL
Established 1817

MONEY BACK if not Satisfied

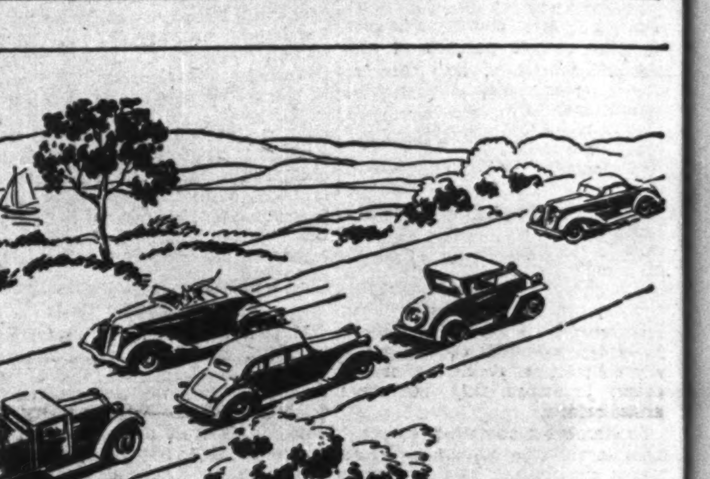
Pandora CIGARS

Buy a box of 10 . . .
Smoke Three

. . . if they do not satisfy you, return the original box with the remaining seven to us any time before September 1st, 1936, and we will refund to you the full purchase price.

Astor 10c.
Panetela 10c.
Natural 2-25c.
Select 15c.

H. SIMON & SONS LIMITED
MONTREAL, P.Q.
Quality Cigar Makers for 60 Years



FAST DRIVERS and SLOW DRIVERS . .

This message is addressed to BOTH of YOU

ALL OF US who drive motor cars have our individual preferences as to the speed at which we travel. Some of us like to drive slowly; others like to travel faster. (I am not referring to the "speed fiends" who drive recklessly and dangerously, but to the rank and file of sane, sensible drivers.) There is a wide variation in our preferred speeds.

When the road is clear and open, we have every reasonable right to give these preferences free rein, and travel at any speed which suits us—up to the legal limit. But I believe you will agree that when traffic is heavy, it is neither courteous nor fair to travel faster or slower than the general speed at which the traffic is moving.

At such times, the deliberately slow driver blocks the road for all who are behind him. It becomes irksome and wearying to those who have long trips still ahead of them—and finally induces them to "cut in" or take chances which they would never take under other circumstances.

On the other hand, it is equally discourteous for fast drivers to cut in and out of the traffic lane when traffic IS moving at a reasonable speed. It upsets and unnerves the more cautious drivers; increases the accident hazard tremendously; and invariably saves only a very FEW minutes of time in the end.

I appeal to BOTH kinds of drivers to let themselves be governed by the true SPIRIT of Courtesy—to consider the convenience and the safety of fellow-motorists, as well as their rights. Let us show the same courtesy to others on the highway, that we show to visitors in our homes. It will go a long way toward making our highways SAFER, and in making motoring still more pleasant.

Sincerely yours,

T. B. McQuesten

MINISTER OF HIGHWAYS PROVINCE OF ONTARIO

TRY COURTESY IT WORKS BOTH WAYS

12-1

Canada Sleeps As Rivals Nab Japan's Trade

Former Minister Points to Markets Overlooked in Orient

NO JOB FOR JUNIORS

From Our Own Correspondent

VANCOUVER.—After 7 years in Tokio as Canada's minister to the Japanese government, Sir Herbert Marler is still convinced this country is overlooking one of her best trade bets by not becoming better acquainted with the Orient.

Now that the difficulties between Canada and Japan, which resulted in a trade embargo the latter half of last year, have been terminated, Sir Herbert believes a new epoch in transpacific commercial relations has begun, and that Canada stands a good chance to cash in; but in the world competition for the business of the Orient, Canada will be handicapped by a lack of familarity with Japan and the ways of Japanese industrialists and merchants.

Not Ordinary Market

As he has been trying to impress on his fellow Canadians for years, Japan is no ordinary market. It requires cultivation of a specific nature, and it is not a job for junior clerks and armchair diplomats. Sir Herbert believes the heads of Canadian business houses would be generously compensated for a personal tour of Japan and the maintenance of contact by frequent business or goodwill trips of chief executives —men who have authority to take orders and sufficiently aggressive and experienced to go after them in an effective way.

Sir Herbert paused in Vancouver and Banff on his way east. He has been appointed Canadian minister to the United States and will assume this office soon after returning from a trip to the British Isles. He is being succeeded in Tokio by 75-year-old Hon. Randolph Bruce, former lieutenant-governor of British Columbia.

Businessman Not Statesman

A man whose executive and administrative training came from industrial and business associations in Quebec and who became acquainted with public affairs as a member of the House of Commons, Sir Herbert pioneered the job of Canadian minister to Japan. He studied the Japanese temperament and reached the conclusion that the custom of the country was to be patient and not to revolutionize business practices overnight. He also learned Japanese place great store in ceremonial and formality. Wisely he made no attempt to force his own brisk methods on a community unfamiliar with such tactics. He made friends in influential circles, talked about Canada whenever he had the opportunity—which was often—and gradually built up a goodwill for this country in Japan that had never existed before.

SIR HERBERT MARLER

Sir Herbert made no pretence of being an old-type diplomat concentrating on politics and affairs of state. He recognized that Canada's chief interest in Japan lay in the possibilities of the Japanese market as an export field, and to that end he made himself voluntarily more of a business ambassador than a state house bargainer. Among his friends were not only high officials, but leaders in Japan's commercial and industrial world. And while Marler remained in Japan Canada's transpacific business grew rapidly.

Offers Wide Field

"Japan is still one of this country's most important markets," said Sir Herbert. "Of course Japan will continue to be a big buyer of asbestos and of wheat, especially since the recent trade complications with Australia; but British Columbia should be especially interested in the Japanese field because of the growing market there for zinc, lead, copper, lumber and pulp and paper —all products of this province."

Sir Herbert believes a valuable contribution to greater understanding of Japanese problems would be the sending of a delegation of Canadian trade experts and newspapermen to Japan. Such a mission, he believes, is long overdue.

A fellow passenger of Sir Herbert on his return from Japan was Harry Chrimes, Vancouver businessman with many years connections with the Orient. He says quite frankly that Canada is apparently quite content to let the Orient's business go to other countries.

Dominion Slumbers

"A mere handful of Canadians are now in Japan trying to make an impression, but the results are not encouraging," said Mr. Chrimes. "Canadian business must learn not to send a lad on a man's errand. When I see the strides being made by German and American firms in the Orient while Canada slumbers peacefully I am amazed. We in Canada talk a lot about our Pacific coast being the gateway to the Orient, but do we go through that gate? Definitely no. The foreigners are about the only ones who use it.

"We have a lot to learn. We lack export experience or perhaps we are too self-satisfied. We have the same opportunity as the Americans to trade with the Orient, but the push is lacking."

St. John Drydock Secures Digby Dredging Contract

From Our Own Correspondent

MONTREAL.—St. John Dry Dock and Shipbuilding Co. has been awarded a $15,000 contract for 50,000 yards of dredging in the harbor at Digby, N.S.

The contract was placed by the Department of Public Works, Ottawa, and it is expected that work will be commenced in the next few weeks.

Politics and Utilities

Possible Political Interference Beclouds Outlook—Trend Toward Stocks Selling on Yield Basis More Pronounced

From Our Own Correspondent

MONTREAL.—The investor interested in yield and possible appreciation in capital value and who is prepared to recognize the inherent dangers of political interference, might well give consideration to public utility stocks. They are essentially what is commonly known in investment circles as a "business man's purchase," but this does not altogether imply undue speculative risk.

Until of late utility stocks stood in a class by themselves as a first rate investment. Stability of operations, rapid gain in revenue, increased dividends, stock rights, and other favorable developments made them prime favorites with all classes of investors.

The path of the utility company has not been strewn with roses in the last three or four years. Events have shown that power utilities are not depression proof. Their earnings can fall off just as in other lines of business. Dividends have been reduced and sometimes omitted. But on the average their record has been good, though the readjustment of market value of stocks has been rather severe in certain cases.

Political Outlook Depressing

From the low point of 1932 and 1933, the power utilities have come back rapidly. Sales of energy for power, commercial and domestic use have been setting new records for several months. Danger of an over-supply has been minimized. Earnings have been mounting steadily and give promise of further gain over the next few years. Dividend increases are in prospect, but despite the generally favorable outlook, the utility stocks are unpopular and depressed in value because of the political outlook.

The manner in which the market has discounted this feature of the power utility situation may be too pronounced. That has happened with other groups of stocks. Political interference is an ever present danger, but the danger may not be so great or so near as the market value of the stocks would indicate.

Question of Public Relations

Public relations of the Canadian power utilities have been adversely affected by the disclosures in the United States which brought to light conditions contrary to public interest. The difficulties in Canada have been important, but on a smaller scale.

From Nova Scotia to British Columbia there have been demands over the last 4 years for rate reductions, municipal ownership of services, greater control over financial arrangements, etc. Many of these have been met and while the principle of private ownership does not rank as high today as it did in pre-depression days, the new regulations have not put any serious crimp in private initiative.

Should Be Helpful

If anything, the agitation has been a healthy agitation in that it has made the private companies realize clearly their responsibility to the consuming public in return for monopolistic rights to develop and distribute power resources.

Even the staunchest advocate of private ownership will admit that there was a tendency in Canada to disregard public interest in some instances, but this was checked and in the years immediately ahead there should be greater desire on the part of private power companies to convince the public that they are fulfilling their stewardship.

Opposition Still Here

The agitation against private ownership, of course, has not died down. A new political party has arisen in Quebec which, if put in power, may adopt policies injurious to private companies. It may take the form of closer regulation than already provided in existing legislation, or it may be that the province will actively interest itself in the development and distribution of electrical energy.

In other provinces the operation of provincial hydro commissions has shown that public ownership is not all that "it is cracked up to be." Still this does not mean that there will be any letting down of regulations governing operations and financial arrangements of the private operators.

Trend to Fixed Income

The trend in this country appears to be toward restricting earning power of privately-owned power utilities to a nominal return on the capital invested in generating, transmitting and distributing energy, rather than on capital securities which do not represent assets actually used for that purpose.

This being the case the utility securities naturally will be regarded by investors more from the point of view of yield than for possible capital appreciation. The stock market would seem to confirm this promise, for though developments have been favorable, market values have been consistently steady around a level which yields from around 5 to better than 6%. Further, as shown in the accompanying table, the principal utility stocks are selling at an average about 15 times estimated current earnings. With the exception of Canadian Hydro first preferred, the spread in the ratio is limited, indicating that the market does not show preference for any particular stock.

The Utilities Picture

Company	Approx. market val. of stock	Dividend	% Yield	Share earnings 1935	Estimated earnings for 1936	Ratio of mkt. val. to current earnings
Brazilian	12½	*	...	$0.74	$0.75**	16-2/3
B. C. Power "A"	30¾	1.60	5.4	1.69	1.80	16½
Canada Northern	24	1.20	5.00	1.87	2.00	12
Canadian Hydro pfd.	33	†	...	19.43	5.75	5½
Inter. Power pfd.‡	93	6.00	6.89	7.61	7.90	11½
Jamaica Public	35	1.25	3.57	2.30	2.50	14
Montreal Power	31	1.50	4.84	1.75	2.00	15½
Ottawa Power	93½	6.00	6.41	5.69	5.75	16
Quebec Power	16	1.00	6.25	1.07	1.20	13-1/3
Shawinigan	19	0.60	3.16	1.17	1.35	14
Southern Canada	12	0.80	6.66	0.75	0.75	16

*Variable: 30 cents paid this year.
†In arrears since March 1, 1936. Cumulative at $6 a year.
‡Arrears $26.75 a share at end of 1935.
**Depends on rate of exchange.

In examining the principal power utility stocks on the Canadian market from the angle of investment, and by investment is not meant possible capital appreciation but maintenance of dividend, the general conclusion is favorable as will be seen in the following brief reviews of 11 of the principal companies in which there is more than a passing interest.

B. C. Power Corp.

B. C. Power Corp., operating in British Columbia and Vancouver Island, has not experienced any untoward criticism from the public. The management is sound and the service provided has been of a high standard. Formerly the company paid a dividend of $2 a share on its class A stock, but sharply increased taxes and other charges made it obligatory to reduce the dividend to $1.50. Since then earnings have increased moderately and the dividend advanced to $1.60 a share. It is understood the company has made an equitable arrangement in regard to taxes and wage rates for 3 years. There does not appear to be any reason at this time to doubt the ability of the company to maintain the current dividend on the A shares.

Shawinigan

Shawinigan's stock for long has been popular marketwise. This has been due to a variety of reasons: rapid expansion of operations, increased earnings, stock rights, substantial dividends, in fact, all those factors have been present which go to make a stock popular with investors and speculators. The company is primarily a wholesaler of power to industry and is less subject to agitations for lower domestic rates than is the case with other companies.

A few years back the company undertook the development of the Rapide Blanc power site and in order to finance this project dividends were reduced. This plant has been completed and financed. With power sales at record levels and earnings increasing, the company has moved the dividend up to 60 cents a share. This is less than half of the current earnings, so that the rate could be advanced materially without affecting working capital. Whether or not the company will undertake to make an increased distribution to shareholders depends largely on the poltical outlook in Quebec. At present market price the yield is low, but on earnings the stock would appear to be out of line with the rest of the market on utilities.

Quebec Power

Quebec Power is controlled by Shawinigan. It has been subjected to sharp attacks by municipal ownership advocates and has had to make several reductions in domestic rates. This has limited earning power to the point where the current dividend is being barely covered. However the trend of earnings lately has been upward, indicating that increased consumption is offsetting lower rates. There is no reason for anticipating a change in the dividend. The broad picture of the company is somewhat obscured by the political situation, making the common less attractive than that of some of the other companies.

Montreal Power

Montreal Power occupies an interesting position, but one which does not bring peace of mind to its shareholders. The company's public relations have been open to criticism. There is room for improvement. Its capital structure was the subject of critical remarks by the Lapointe Commission, which investigated the electricity situation in Quebec over a year ago. Further the company has large sums of money invested in assets that have little or no bearing on its own business as a public utility. The company is vulnerable to attack. If the government ever forces it to segregate assets and base rates on the actual capital invested in the power business, the result might not be favorable to shareholders. However, stock is highly regarded in many quarters and is strongly sponsored. There is no question of the company's ability to earn the dividend on its common stock under present conditions but continued distribution hinges on many factors over which the company may have no control.

Southern Canada Power

Southern Canada Power's experience in the last few years has not been unlike that of Quebec Power Co. Living in the territory served by the company is one of the strongest advocates of public ownership in Quebec. Largely through the activities of Hon. T. D. Bouchard, a cabinet member in the late government, the company had to make rate reductions which brought earnings down to a point where the dividend on the common stock was not covered. So far increased consumption has not offset the lower rates. Another factor which detracts from the merits of Southern Canada's common is that in years past the company added so greatly to the outstanding preferred that earnings available for the common have been restricted.

Canada Northern Power

Canada Northern Power has come ahead very rapidly following the mining boom in Northern Ontario and Northwestern Quebec. The opening of new mines and establishment of townsites have added to the power load and, in turn, earnings. Dividends have been increased on the common stock to $1.20 a share. This rate should be maintained without difficulty. However a point worth watching is the inroads being made by Ontario Hydro. The latter has a large supply of power to market in Northern Ontario and already has signed up a number of mine customers. There, too, is the possibility at some future date of Hydro acquiring Canada Northern's Northern Ontario business in order to give it control of the area.

Canadian Hydro Electric

Canadian Hydro, through control of Gatineau Power Co. has suffered a serious setback to earnings through repudiation and revision of the Ontario Hydro power contracts. In view of the contraction of earnings under the new agreement, the company deferred the dividend on the first preferred on March 1 last. For the current year it is estimated earnings will run about $5.75 a share, as against dividend requirements of $6 a share. Next year earnings drop to a fraction of the dividend. Ability of the company to earn and pay a dividend on the first preferred depends on how quickly Ontario Hydro increases its power load. Under full contract deliveries earnings will be sufficient to cover Canadian Hydro's dividend comfortably, but a resumption of payments is not expected in the next 2 or 3 years. An important point in connection with this stock, however, is that as deliveries to Ontario Hydro increase, the market will probably reflect larger earnings through an increase in the value of Canadian Hydro's first preferred.

Ottawa Power

Ottawa Power has shown no particular developments over the past several years. Earning power is well established and though competing with the municipally-owned system, the company should be able to maintain dividends. The principal attraction of the stock to date has been the dividend; marketwise it is inactive.

Brazilian Traction

Brazilian Traction is a potentially rich property. Its earning power has been well developed and should show continued increase. As properties are located in Brazil, the company has had difficulty in buying exchange in order to pay dividends on its stock in Canadian funds. There is no immediate likelihood of the government lifting restrictions on foreign exchange. If, as and when these restrictions are removed shareholders will benefit handsomely. In 1935 the company earned 74 cents a share on the common and carried forward a surplus of over $29.5 millions. Last May the company paid a dividend of 30 cents a share, but no regular policy has been as yet established.

International Power

International Power's first preferred stock has been placed on a regular $6 dividend basis, compared with the cumulative requirements of $7 a share, and it is generally understood this rate will be maintained for the time being. The company dropped regular dividends in October, 1931, due to heavy bank loans and inability of capitalizing capital expenditures, rather than to any sharp falling off in earnings. In the past 2 years finances have been strengthened, permitting a resumption of dividends. At the end of 1935 the preferred was in arrears $26.75 a share. It is not expected immediate action will be taken with a view to clearing up this liability, but it is a factor of importance in considering the income possibilities of this stock.

Jamaica Public Service

Jamaica Public Service is another power utility outside of Canada but controlled by Canadian interests. It supplies the light and power services in Jamaica and earnings statements have been uniformly good. Economic conditions on the Island have been favorable and the outlook is considered promising. Earnings of Jamaica Public Service have been well in excess of dividend payments and the dividend could be increased without difficulty. At present the yield is low in relation to market value of the stock, but there would appear to be possibilities of capital appreciation in view of the current trend of earnings and possible increase in dividend.

Canada Wire Sales Higher

Gain in Domestic Business Features Returns for Half Year

From Our Own Correspondent

MONTREAL. — Volume of business handled by Canada Wire and Cable during the half year ended last month was well in advance of the total recorded for the same period in 1935.

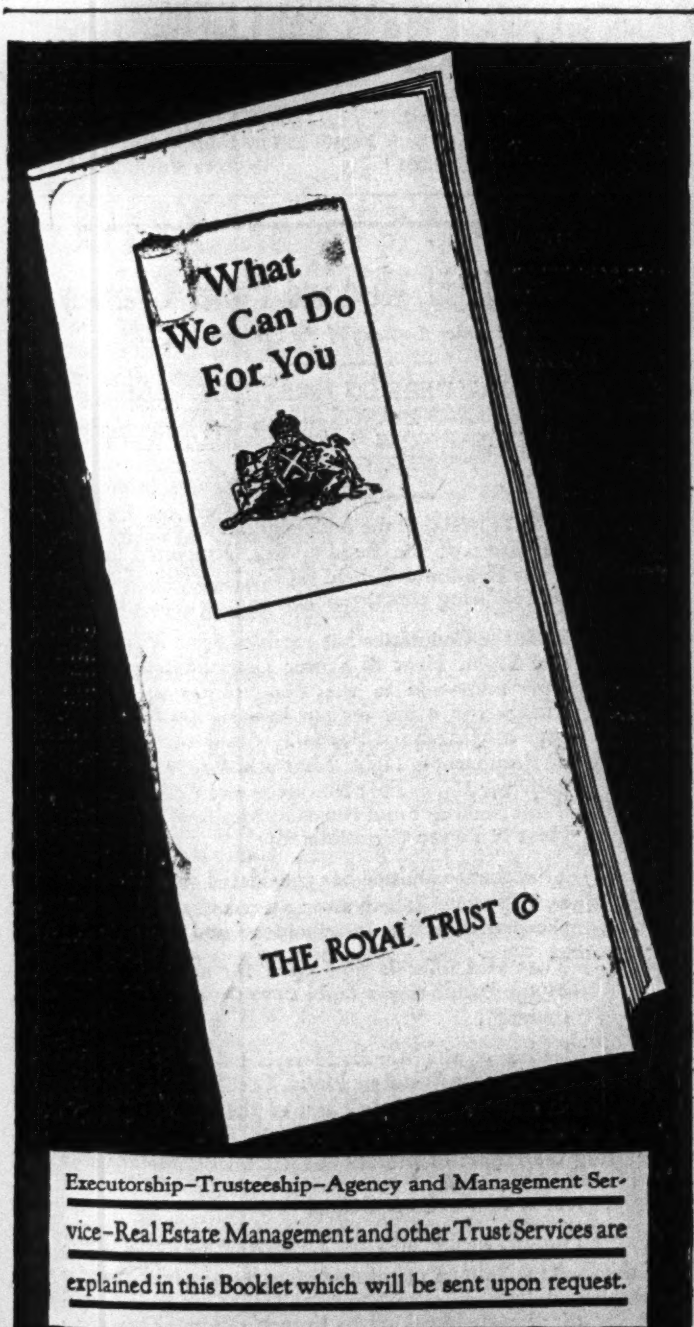
Betterment was generally spread over all lines. Export business during the period was light, so that the increase in aggregate sales is wholly attributed to the better demand in the domestic market.

There is no indication as yet as to the trend of earnings for the present year. Income in 1935 was $484,466, as compared with $218,966 in 1934 and $89,622 in 1933.

Await Dividend Action

Earnings per share on the 6½% preferred amounted to $6.76 and constitute the first time the dividend has been covered since 1931. Dividends, however, were not resumed and the stock was in arrears $19.50 a share at the end of last year.

A resumption of dividends will depend largely upon the outcome for the year.


What We Can Do For You
THE ROYAL TRUST CO

Executorship—Trusteeship—Agency and Management Service—Real Estate Management and other Trust Services are explained in this Booklet which will be sent upon request.

THE ROYAL TRUST CO
EXECUTORS TRUSTEES

PRESIDENT
Sir Charles Gordon, G.B.E.
VICE-PRESIDENT
Huntly R. Drummond
GENERAL MANAGER
R. P. Jellett

HEAD OFFICE AND
MONTREAL BRANCH
105 St. James Street
TORONTO BRANCH
59 Yonge Street

Branches throughout Canada, in Newfoundland and in London, England

Agency: CHARLOTTETOWN, P.E.I.

ASSETS UNDER ADMINISTRATION EXCEED $767,000,000

-a he-man TRUCK with a he-man motor-

REO'S great new Gold Crown and Silver Crown engines stand the strain of the stiffest hauling because they are truck engines built for *truck jobs*. There is a Reo Truck for every purpose, from ½ to 4-6 tons. We shall be pleased to give you full particulars without obligation.

REO MOTOR SALES CO.
OF TORONTO, LIMITED
1041-1047 Bay Street

REO SPEEDWAGONS AND TRUCKS

REO MOTOR COMPANY OF CANADA, LIMITED, TORONTO (Leaside), CANADA

CROWN TRUST COMPANY
EXECUTORS TRUSTEES AGENTS

"LET US SERVE YOU AND YOUR FAMILY"

THE RECORD OF THE YEARS

On its record of past services to its clients the Crown Trust Company solicits your business.

Crown Trust Company

WILLIAM I. GEAR, President, JOHN JENKINS, Vice-President
ARTHUR LYMAN, Vice-President, IRVING P. REXFORD, Gen. Mgr.

393 ST. JAMES STREET WEST, MONTREAL

EXECUTORS TRUSTEES • FINANCIAL AGENTS

1866 1936

BRITISH AMERICAN BANK NOTE COMPANY LIMITED

THE OLD CANADIAN COMPANY

Security Engravers to Canadian Finance and Industry since 1866.

HOWARD W. PILLOW
President

CHARLES G. COWAN
Vice-Pres. & Man. Dir.

G. HAROLD BURLAND
Sec.-Treas.

HEAD OFFICE : OTTAWA
262 Wellington Street

511 Place d'Armes
MONTREAL

1110 Bank of Hamilton Bldg.
TORONTO

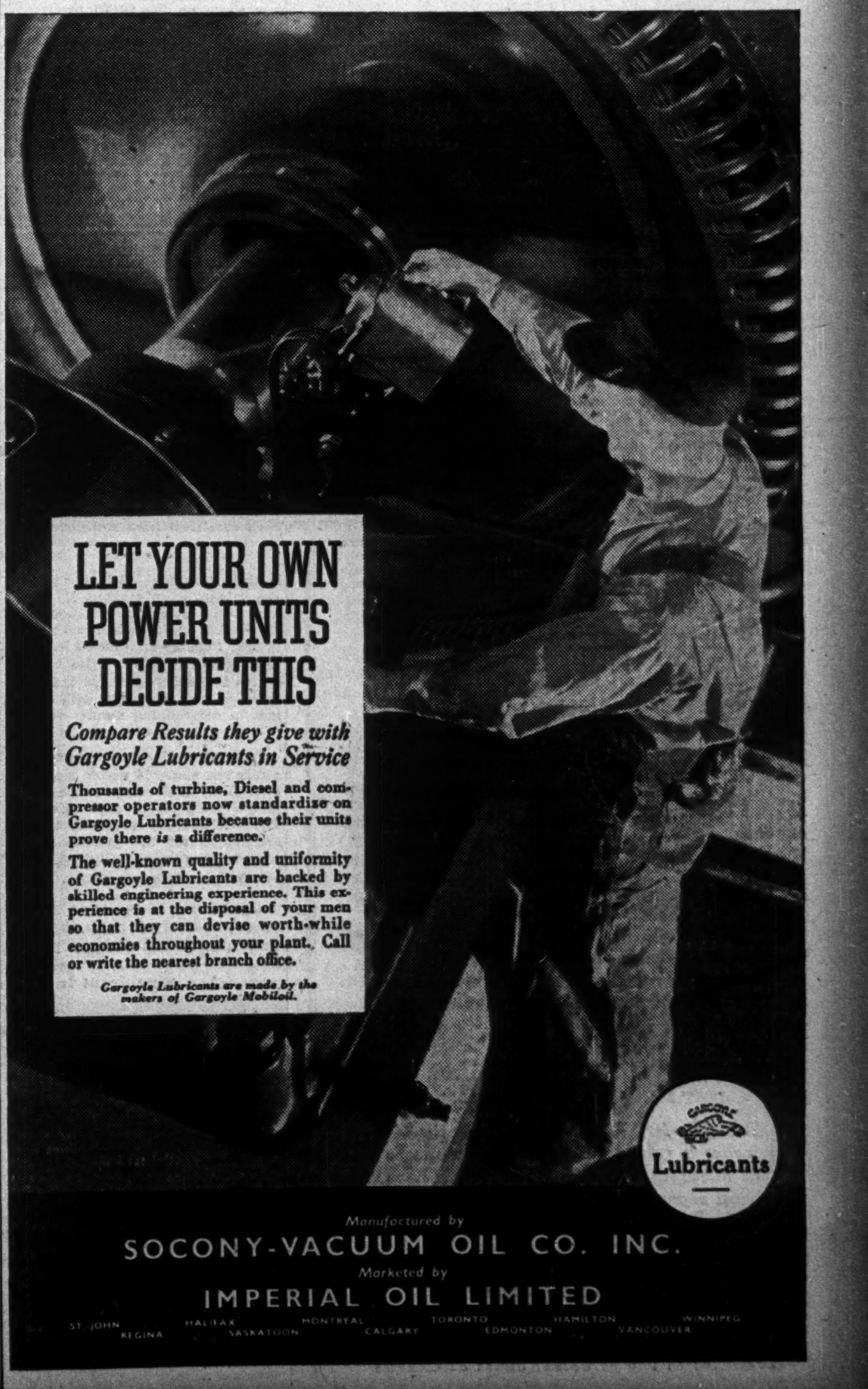
ARROWHEAD GOLD MINES LIMITED
(No Personal Liability)

Bought, Sold, Quoted

DUNCANSON, WHITE & CO.

Members Toronto Stock Exchange
Canadian Commodity Exchange, Inc.
New York Curb (Associate)

15 KING STREET WEST, TORONTO. WA. 3401-8.



LET YOUR OWN POWER UNITS DECIDE THIS

Compare Results they give with Gargoyle Lubricants in Service

Thousands of turbine, Diesel and compressor operators now standardize on Gargoyle Lubricants because their units prove there *is* a difference.

The well-known quality and uniformity of Gargoyle Lubricants are backed by skilled engineering experience. This experience is at the disposal of your men so that they can devise worth-while economies throughout your plant. Call or write the nearest branch office.

Gargoyle Lubricants are made by the makers of Gargoyle Mobiloil.

Manufactured by
SOCONY-VACUUM OIL CO. INC.
Marketed by
IMPERIAL OIL LIMITED
ST. JOHN HALIFAX MONTREAL TORONTO HAMILTON WINNIPEG REGINA SASKATOON CALGARY EDMONTON VANCOUVER

Investment Trends

Strength in New York Pulls Stocks Upward

Wall Street Buoyancy Attributed to Possible Defeat of New Deal — Canadian Stocks Lag Behind Rise in United States

Recent strength in stock prices has been more pronounced in New York than in Montreal or Toronto so that there remains the possibility that Canadian prices will be dragged upward

The New York rise is now being labelled a "Landon bull market" because it follows a straw vote indicating Mr. Roosevelt may be beaten. While recovery has made progress under the inflationary Roosevelt government, greater conservatism in government would be viewed with optimism in financial quarters. The fact is that moves toward checking inflation, such as the raising of bank reserve requirements, have stimulated confidence in the United States rather than reversing the expansion movement.

The fact that recovery has a considerable distance to go before full prosperity is here indicates that the long-term investor is warranted in retaining high quality equities, despite temporary reverses.

Armament orders are stimulating the depressed iron and steel industries in Britain, but trade with Canada may be reduced because of crop damage here.

How High is Up?

AFTER breaking through previous peak levels for this year, share prices in New York have gone forward rather rapidly. Averages for industrial stocks on the Montreal and Toronto stock exchanges have not yet shown the same strength. This is not easily explained since Canadian prices usually move with New York when the exchange rate is stable. Continuation of the New York rise would naturally be expected to carry Canadian markets upward.

The legitimate long-term investor has been hanging on even through the April-June slump. He should still stand to reap profits from what appears to be a major upward trend.

For the nearer future, the remaining 5 months of the year, considerable recession of stocks is possible after new highs have been established on the current advance. Mass psychology is playing an important part in raising stocks, and as long as new supplies of securities are not coming on the market this influence can continue to lift prices. When public enthusiasm cools, there should be a shake-cut.

* * *

Flow of Investment

SEVERAL hundred millions of foreign capital have moved into the United States since 1933. The Federal Reserve Bulletin says about 40% of this movement has come through net purchases of securities. Comments on the recent movement are:

> "The sustained movement into American securities did not get under way until the spring of 1935. During the summer it grew in volume and in the last quarter of the year attained its maximum rate.
>
> "Buying has continued active in 1936. The sustained character of the movement at times . . . suggests that foreign investors believe the American market offers an opportunity for profitable investment of their funds. This movement was interrupted at the beginning of May following the recession in stock prices, but in recent weeks it has been resumed.
>
> "While the purchase of American securities for foreigners since May, 1935, appears to reflect conditions in the United States more than conditions in Europe, most of the buying on balance has come from Europe, and the gold bloc accounts for nearly half. The other half largely represents British purchases or purchases executed through London."

Undoubtedly the flow of funds into American securities has released United States money for investment in Canada. With the supply of securities limited, the effect has been to strengthen Canadian markets. The quantity of European money on this continent is also a potential source of weakness, however, since currency disturbances might make it profitable for foreigners to liquidate here. Meanwhile European investors are confident that the forces of recovery will bring them profits on this continent, particularly in stocks.

* * *

Arrears Deals

THERE has been considerable strength in both preferred and common shares of firms that are paying no dividends and on which large arrears have accumulated, as for instance, in such shares as Canada Wire & Cable and in Dominion Tar. One reason for such trends is that the companies are doing much better so that there is possibility of resumption of cash payments. Also, however, there may be an influence from the arrears.

If settlements are to be made largely in common shares rather than in cash, then higher prices for the common would mean that fewer shares would be required to settle preferred arrears. Consequently there may be cases where prospective settlements of preferred arrears will lead to higher prices for common stocks, apart entirely from the fact that settlements remove barriers to common dividends.

Incidentally some of these nonpayers have furnished and may continue to furnish convenient escape from income taxation, as has been pointed out in this column on several occasions.

Whaling Firm Seeks Preferred

Anglo Norwegian Holdings Asks for Tenders of Stock

From Our Own Correspondent

MONTREAL. — Anglo-Norwegian Holdings will receive up to July 30, tenders for the sale and redemption and cancellation of its 10% cumulative and redeemable preferred shares.

There is no indication in the official notice as to the number of shares the company will purchase, nor does the company bind itself to accept any tenders.

At the end of last year Anglo-Norwegian Holdings had outstanding 12,780 preferred shares of the par value of $100 each. No dividends have been paid on this stock since 1932 and at the close of 1935, arrears amounted to $21 a share.

The stock was never offered publicly, and while listed on the Montreal Curb, New York Curb and London Stock Exchange, there has been no record of sales for some time.

Merchandise Director

John Wall, president of Fine Foods of Canada Limited, announced at a meeting of brokers and salesmen of the company, held in Windsor recently, the appointment of Carl F. Roepke, as director of merchandising. Mr. Roepke is a former advertising agency man with considerable experience in both the grocery and canning field. He was at one time an assistant to the sales manager of the Minnesota Valley Canning Company, Le Sueur, Minn.

An
Impressive Record

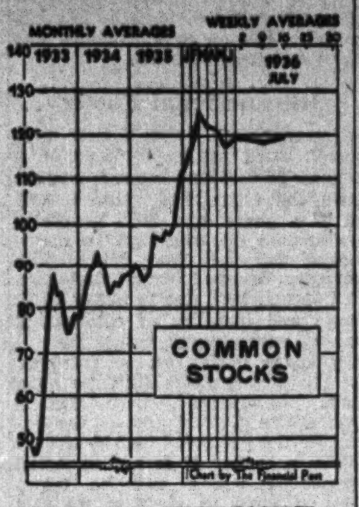
Very impressive has been the growth of the gold mining industry in Northern Quebec. Ten years ago gold output was practically nil; today production is at an annual rate of well over twenty million dollars. The province now has 13 regular gold-producing mines, and a number of other properties are fast being brought to the production stage.

With this development has come a keener appreciation of the part the Northern Quebec mines are playing in the economic welfare of the province and Dominion. Four mines in this area, which give promise of developing into important properties, and the financing of which we sponsored, are

O'BRIEN PERRON
EAST MALARTIC SLADEN MALARTIC

It is our intention, as opportunity affords, to offer to our clients the shares of other mining companies which have been reported upon favorably by qualified mining engineers.

NESBITT, THOMSON
& COMPANY LIMITED
355 St. James Street West, Montreal
Branches in the principal cities of Canada



SHOWING STRENGTH

Common stock prices as measured by the Dominion Bureau index rose close to 120 in the week ended July 16 and have strengthened further since that time. Indices appear on this page.

Plan Changes In United Fuel

No Preferred Dividends Until Reorganization Is Effected

Directors of United Fuel Investments have decided to defer any dividend on the 6% preferred shares until a plan of reorganization has been effected, although cash position and earnings would permit some small dividend payment, according to remarks of president of S. A. Morse in the annual report.

It seems apparent that any reorganization plan will contemplate considerably smaller payments than $6 a share to holders of the preferred as long as earnings are below that level.

President's Comments

In explaining why a reorganization will be proposed this year Mr. Morse states, in part:

"Directors believe that the operations and financial position of your company are now stabilized sufficiently so that the time is now appropriate to work out a plan of reorganization of the capital structure. Your directors have given this subject a great deal of consideration and before January 1 next will submit to the shareholders a plan of reorganization which will place the capital structure of your company on a sound basis and enable the resumption of a regular dividend payment to the preferred shareholders commensurate with the company's earning power.

Arrears High

"Arrears of dividends on the preferred stock at April 1, 1936, amounted to 28½%. The profits of the company for the past year . . . amounted to less than 40% of the annual cumulative dividend of $6 per share on the preferred stock. The average annual earnings of the company . . . for the 8 years since its inception have been equivalent to $3.07 per share on the 90,000 preferred shares outstanding.

"While during the 2 years when the full force of business depression was being felt the company showed no profits, earnings have been fairly stable for the past 3 years, averaging in that period $2.49 per share on the preferred stock."

Comparative earnings, showing profits of $2.37 a share on the preferred for the year ended March 31, 1936, appear on page 13.

Dom'n Stores Cuts Loss 90% For 6 Months

Loss of $36,992 Contrasts With $370,570 in 1935 Period

SALES GAINING

Dominion Stores Ltd., merchandising groceries, meats and fruit through nearly 500 shops, reports a net loss of $36,992 for the 24 weeks ended June 13, 1936, compared with a loss of $370,570 for the corresponding period of 1935. This is a reduction of 90% in the loss.

In a semi-annual report to shareholders, W. F. Stewart, vice-president and general manager, comments: "The result represents marked improvement over 1935 and while it is not satisfactory it shows the large drain on the company's resources has been stopped. The work of improving the appearance of all stores is being carried on continuously and with quite satisfactory improvement in sales."

Sales Policies

Increased sales reflect a fractional rise in the sale per customer and a very great increase in the number of customers served, rather than higher commodity prices, Mr. Stewart states.

In quite a few territories the increase in sales has been much larger than average and in these areas the company is operating at a fair profit. In some few other areas, only small gains in sales have been shown and losses have been incurred. Every effort is being made to increase sales so as to show profits in the less satisfactory areas.

A policy of operating with minimum inventory and paying closest attention to freshness of all products sold has been adopted.

"There has been an improvement in personnel," Mr. Stewart's report states, adding: "Supervision staffs are more efficient and the standards of managers and clerks have been improved. Work in this direction is being continually carried on."

Gain in Sales

In the 4 weeks ended July 11, sales increased 12.73%, bringing the total gain for 28 weeks up to 10.04%. Comparative sales figures and working capital position appear on page 13.

Corporate Investors Raises Price, Dividend

Offering price of shares of Corporate Investors Ltd. has been raised from $7.25 to $7.50 each effective immediately. Holders of the investment trust's shares, however, may purchase at the $7.25 price up to Aug. 1.

The dividend payable Aug. 15 has been declared at the rate of 5½ cents a share, compared with the previous rate of 5 cents quarterly.

The issued capital of the trust is understood to be approximately $600,000 at present. Earnings for the fiscal year ended April 30, 1936, were 26.3 cents a share compared with 21.7 cents a share in the preceding year.

Edwards Joins Commodity Exchange

From Our Own Correspondent

MONTREAL.—J. C. Edwards, of J. C. Edwards and Co., Montreal produce dealers, has been elected a member of the Canadian Commodity Exchange.

Investment Notes

Canada Bud Breweries—Balance sheet as at June 30 will be mailed to shareholders shortly. Sales and profits have increased substantially compared with 1935, according to President Duncan McLaren. This is reflected, of course, in the July 20 dividend of 40 cents a share.

* * *

Dominion Tar — Reports persist that the full preferred dividend may be earned this year and this accounts for strength in both common and preferred shares. Buying has been consistent from well-informed quarters.

* * *

Hinde & Dauch—At 13, the shares are valued at only about 11 times last year's earnings. The 50-cent dividend is less than half last year's profits. Possibly an increase in dividend would raise the price of the shares indicating the importance of disbursements compared with earnings in determining market values.

* * *

Union Gas—The common has had a nice rise above 14 which is attributed to favorable views of the company's prospects in high quarters. The dividend is expected to be maintained for the present at 40 cents a share annually but hopes of eventual increase are strong.

* * *

Canada Dry — President R. W. Moore is reported as saying the June quarter will make a pretty picture for stockholders compared with last year when the loss for the three months totalled slightly over $85,000.

* * *

B. C. Packers—It's rather hard to get a favorable view of the outlook for this year.

* * *

Enamel & Heating Products — Prospects for 1936, in the opinion of N. A. Hesler, president, hold more promise than a year ago. Last year the sanitary ware department operated at a loss, while the stove and furnace branch showed a small profit. For the first 6 months of this year there has been a material increase in sanitary ware sales and a substantial improvement in operating costs. Domestic and export sales of stoves also have shown a large increase.

* * *

T. E. Bissell Co. — After all charges, net earnings of $4,088 in 1935-36 were reduced to a net profit of $208. It is noteworthy that executive salaries totalled only $4,680 in the year and that there were no directors' or legal fees.

* * *

Dominion Stores—Reduction of the loss for the first half year to $36,992 is encouraging and appears to give the company at least an even chance of showing some profit or at worst a negligible loss for the full year. Of course no dividends are in sight unless earnings reappear.

Significant Investors' Index Numbers

1926 = 100

No. of Securities	Iron and steel 15	Pulp and paper 6	Milling 5	Oils 5	Textiles and clothing 11	Food and allied products 18	Beverages 9	Total industrials 89	Total utilities 23	Total co's. 112
1929-35:*										
High	388.9	113.4	273.4	423.5	113.5	197.8	205.4	317.6	166.0	232.6
Low	39.8	2.8	37.7	83.6	28.0	72.1	28.5	49.3	33.1	40.9
Monthly Figures, 1936:										
January	130.3	18.6	80.0	231.0	75.5	153.6	151.7	187.7	52.4	117.8
February	140.5	20.2	84.3	246.5	74.0	158.7	151.7	200.0	57.0	126.1
March	136.5	18.5	88.7	237.3	73.1	153.0	140.1	194.5	55.5	122.8
April	131.7	17.5	91.0	244.5	71.3	150.7	131.7	194.2	53.2	121.4
May	125.1	16.7	87.3	234.0	68.1	145.7	131.4	187.9	52.5	117.9
June	125.3	16.6	86.5	228.1	67.4	149.2	129.3	189.3	53.3	119.0
Weekly Figures, 1936:										
July 2	124.3	18.0	87.6	229.4	65.6	149.5	126.1	190.6	53.6	119.2
July 9	123.3	18.5	86.7	228.3	65.6	150.3	127.8	189.9	53.0	118.5
July 16	124.5	19.2	85.6	228.1	68.7	152.2	130.4	191.0	53.6	119.4

*High and low of years from 1929 to 1935 inclusive are based on weekly figures. Compiled from figures issued by Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indus.	20 Golds	20 Misc. Mines
July 21	134.30	146.30	140.92
July 20	134.46	145.17	139.15
July 18	134.02	144.46	135.97
July 17	134.73	143.48	135.79
July 16	134.56	143.17	136.04
July 15	134.58	143.59	135.61
Month ago	131.47	141.78	130.38
Year ago	106.57	103.21	91.62
High, 1936	143.40	145.71	144.33
Low, 1936	125.71	115.97	122.59

Montreal Averages

	10 Util.	20 Indus.	30 Comb'd
July 21	69.0	75.7	73.5
July 20	69.7	75.7	73.7
July 18	68.8	75.7	73.4
July 17	68.8	75.5	73.3
July 16	69.2	75.2	73.2
July 15	69.3	75.5	73.4
Month ago	69.4	74.2	72.6
Year ago	58.0	57.9	57.9
High, 1936	73.4	78.4	76.8
Low, 1936	67.3	69.5	68.9

Montreal Council For Interest Cut

From Our Own Correspondent

MONTREAL. — Montreal's city council has ordered the executive committee to attempt voluntary conversion of the city's $280 millions debt at lower interest rates by negotiations with holders of the bonds.

Discussions in the council over the past few weeks indicate there is a growing opinion in favor of reducing the debt charges. A minority favors negotiations with the bondholders for a voluntary cut in rates, but others, and they appear to be in the majority, favor a forced conversion.

The last Montreal Bill, which was shelved when the provincial legislature was dissolved with the defeat of the Taschereau government, carried a clause giving the city power to carry out a forced conversion.

Meanwhile the market value of the city's bonds keeps dropping.

Dividends Declared

	This payment	Date payable	Date of record
Anglo-Can. Tel. p.	87½c	Aug. 1	July 15
Agnew Surp.	20c	Sept. 1	Aug. 15
Do., bonus	20c	Sept. 1	Aug. 15
Do., pref.	$1.75	Oct. 1	Sept. 15
Assoc. Tel. & T.	40c	Aug. 10	July 15
Belding Cort.	$1	Oct. 1	Sept 15
Do., pref.	$1.75	Oct. 1	Sept. 15
Beatty Bros., 1st pf.	$1.50	Aug. 1	July 15
B.C. 'Phone, 2nd p.	$1.50	Aug. 1	July 17
Buff. Ankerite	5c	Aug. 15	Aug. 1
Bk. of Toronto	$2.50	Sept. 1	Aug. 15
Calgary Power, pf.	$1.50	Aug. 1	July 15
Can. Bronze	25c	Aug. 1	July 20
Do., pref.	$1.25	Aug. 1	July 20
Can. Dredge	$1	Aug. 1	July 16
Can. Industries, A & B	$4	July 31	June 30
Do., extra	75c	July 31	June 30
Coast Breweries	23c	Aug. 1	July 17
Crown Cork	20c	Aug. 15	July 31
Candn. Converters	50c	Aug. 15	July 31
East. Theat., pfd.	$3.50	July 31	June 30
Frost Steel & W.	$1.75	Aug. 1	July 20
Guelph Carpet, p.	$1.62½	Aug. 1	July 17
Gurd, Chas.	$1.75	Aug. 15	Aug. 1
Humberstone Shoe	50c	Aug. 1	July 15
Harding Carpets	†5c	Aug. 1	July 15
Howey Gold	2c	Aug. 8	July 8
Inter. Nickel, pfd.	$1.75	Aug. 1	July 2
Imperial Bank	$2.50	Aug. 1	June 30
Inter. C. Bak.	$1	Aug. 1	July 21
Inter. Utilities, pf.	$1.50	Aug. 1	July 20
Do., $3.50 pf.	75c	Aug. 1	July 20
Island Mtn. M.	†5c	July 31	July 15
Loblaw Groc.	25c	Sept. 1	Aug. 12
Mont. L. H. & P.	38c	July 31	June 30
McIntyre-Porc.	50c	Sept. 1	Aug. 1
Nat. Biscuit	40c	Oct. 15	Sept. 11
Do., pref.	$1.75	Aug. 31	Aug 14
Nipissing Mines	25c	Aug. 20	July 31
Old Can. Invest., A	6%	Aug. 5	July 31
Do., pref.	5%	Aug. 5	July 31
Penmans	75c	Aug. 15	Aug. 5
Do., pref.	$1.50	Aug. 1	July 21
Quebec Power	25c	Aug. 15	July 24
Royal Bank	$2	Sept. 1	July 31
Rolland Paper	$1.50	Sept. 1	Aug. 15
Russell Motor pf.	$1.75	Aug. 1	July 22
Do., arrears	$1	Aug. 1	July 22
St. Law. Flour c.	50c	Aug. 1	July 20
Do., pf.	$1.75	Aug. 1	July 20
Steel of Can.	43¾c	Aug. 1	July 7
Do., pref.	43¾c	Aug. 1	July 7
South. Amer. Gold	10c	July 29	July 15
South. Can. Pr. c.	20c	Aug. 15	July 31
Simpson's pfd.	$1	Aug. 1	July 22
Shawinigan W. & P.	15c	Aug. 15	July 24
Toburn Gold	2c	Aug. 21	July 21
Weston, Geo., pfd.	$1.25	Aug. 1	July 20
Ymir Yankee	3c	Aug. 1	July 10

†Initial.

Model Report Has Hope for 1936 Dividend

2-cent Profits Per Share Point to Small One

DRILLING HALTED

A net profit per share of about 2 cents is shown by Model Oils Ltd., in the annual report for the fiscal year ended May 31, 1936. Since directors do not anticipate further drilling operations at the present time, the report lends strength to the prediction that Model may pay another dividend before the end of the year.

Company earnings during the year have been expended in drilling Model No. 3 well offsetting Royalite 26. This well is located in tight limestone and production at time of the report (July 13) was only about 9 or 10 barrels a day.

Production from Model No. 1 and Model No. 2 wells shows no decline, Wm. C. Fisher, managing director reports. No. 1 averages about 140 barrels a day, and No. 2 about 23 barrels.

The balance sheet as at May 31 shows current assets of $22,444, against current liabilities of $27,070.

Income and surplus account for the year, compared with the 1935 fiscal period, follows:

Income and Surplus Account
(Years ended May 31)

	1936 $	1935 $
Revenue from sale of oil	187,864	144,447
Less: Production expense	24,017	12,989
Operating revenue (net)	163,847	131,448
Less: Royalties paid	50,501	25,538
Add: Transfer fees	60	132
Interest received	64	2,189
Less: Office expenses	12,019	11,551
	101,451	96,630
Less: Insurance	1,826	1,053
Taxes	1,571	968
Dominion income tax	4,408	4,544
Provincial income tax	2,853	1,692
Legal and audit fees	1,133	1,052
Directors' fees	2,880	2,880
Exchange	1,258	167
Lease rentals	1,351	580
Travelling expenses	655	1,254
Dividend and annual mtge. expense*	312	1,236
Workmen's Comp. Bd.	690	242
	82,514	81,012
Int. on deferred liabilities	697	5,967
Depletion	31,340	28,704
Depreciation	26,950	22,870
Bad debts w/o	2,330	....
Profit for period	21,197	23,471
Less appropriation: Dividend	....	54,481
Surplus for year	21,197	*31,010
Add: Previous surplus	33,079	63,635
Profit on sale of bonds	....	454
Capital reserve acc't.	2,681	....
Less: Invest. w/o	55,250	....
Loss on sale of bonds	563	....
Balance carried forward	1,144	33,079

* Loss or deficit. * Deficit.

Earnings per Share and Dividend Record:		
Earned	$0.02	$0.02
Paid	nil	0.06

Higher Gold Prices Seen Likely Result Of Free U.S. Market

Close Observer Sees Real Possibility If Roosevelt Returned

Recently The Financial Post commented on the possibility, as pointed out by Whaley-Eaton Service, Washington, of the establishment of a free gold market in United States, with no set price for gold, if Roosevelt is re-elected. Feeling that the matter was of paramount importance, particularly to Canadian gold mines, The Post asked Mr. Whaley, a recognized authority, to expand on this possibility. His article as written for The Post follows:

By P. H. WHALEY

The present policy of the American Government, whereby the price of gold is fixed at $35 the ounce, is not necessarily a fixed and permanent policy. If Mr. Roosevelt is re-elected, it is quite within the probabilities that the gold situation will be re-examined in toto, with at least an even chance that the British precedent will be followed, which means that the United States will establish a free gold market and that the price for gold will be determined daily by quotations in that market.

It is well known that the reduction in the gold content of the dollar was made on the advice of certain college professors. Some of these gentlemen were recently again summoned to Washington and asked this question: "Why have farm commodity prices not fully reflected the change in the gold content?"

Fear Sharp Price Rise

The answer given was substantially as follows: "Farm commodity prices will reflect the change and they are likely to do so rather precipitately and in the near future. Indeed, what you have to worry about is not how to raise these prices, but how to prevent the increase from being so rapid and so great as to necessitate a change of the gold content in the other direction. You ought to be considering now an increase in the gold content."

The President is not authorized to raise the gold content above 60c, although he is authorized to reduce it to 50c. It may be taken for granted that no reduction is now contemplated. It may also be assumed that no president, either Roosevelt or Landon, would dare to raise the gold content above 60c; nor can either of them hope to obtain from Congress the right to do so.

The president's right to change the gold content, as well as the authorization for the stabilization fund, expires next January. Congress will have but a few weeks in which to pass new legislation or to extend the present authorizations.

Washington is still sceptical about the success of the British system, as now operated. Before admitting that that system is a success, Washington wishes to see what will happen if and when the Gold Bloc retires from gold. It also wants to see how sterling will function under an unbalanced budget, occasioned by heavy spending for armament.

If the United States should permit a free gold market it would still be able virtually to dominate prices in that market, not alone because it is the greatest owner of the actual metal, but also because the Stabilization Fund, if continued, with its vast resources, could put prices at substantially where it wanted them, either by buying or by selling.

One thing is certain and that is that President Roosevelt has not yet made any definite decision and that the present gold policy is considered as operating satisfactorily now. The necessity for a change would not arise unless commodity prices did begin to advance very rapidly, in which case there would certainly be a very vociferous protest from the cities, and particularly from the housewives.

It may be doubted if the Federal Reserve authorities, even with all the additional powers they now have, could control an ascendant market of that sort. The one sure method of control would be further manipulation of gold.

Professorial Naivete

The experts consulted by the American Government pointed out that one of the most inflationary factors operating was the great increase in production of new gold, occasioned by the high price, but the only way to meet this situation was to discourage somewhat any further new production. But these experts were speaking as experts in financial theory, not as experts in politics. In fact, the gentleman to whom they were talking laughed inwardly at the naivete of the professors in assuming that a political authority would follow their advice.

It is a mistake to assume that the price of gold has been definitely fixed at $35 for any long period. If Roosevelt is re-elected and if other developments seem to make it advisable, there will certainly be a change in American policy. Of course, a bad break in the security and commodity markets might mean a further reduction in the gold content to 50c, but no official in Washington is expecting any such occurrence.

Free Gold Market Said Dead Issue

A plan to link regulation of the gold content of the United States dollar with stabilization of the price level through a free gold market has been shelved, says a Washington despatch to the Wall Street Journal. According to the story, a report recommending that the United States adopt a currency convertible into gold but with a fluctuating gold content is understood to have been received by Secretary Roper's Business and Advisory Committee from its subcommittee on monetary affairs.

The despatch states that although officials refused to discuss the report, they were unanimous in proclaiming it a dead issue. It is claimed that it will never be approved or issued by the full council.

Invest in Bonds by Mail

Investors will find our correspondence department a convenience in the purchase or sale of securities or for information and quotations on investments.

We shall be glad to forward on request a selected list of offerings including Canadian Government, Municipal, Public Utility and Industrial Bonds suitable for individual requirements.

Wood, Gundy & Company
Limited
36 King Street West
Toronto
TELEPHONE: ELGIN 4321
Toronto
Montreal
Winnipeg
London, Eng.
Ottawa
Hamilton
Vancouver
London, Ont.

United Steel Plans Change

A special general meeting of shareholders of United Steel Corp., controlling Standard Steel Construction Co., is to be held at Toronto July 29.

Purpose of the meeting is to consider by-laws, passed July 6 by the directors, giving holders of class B preferred shares the right to convert each share into 35 common shares and increasing the authorized common stock from 300,000 to 500,000 shares.

The proposed increase in common shares would leave scope for conversion of 2,500 oustanding B preferred shares into 87,500 common shares. The class B preferred carries a dividend of $7 a share annually which, however, like the dividend on A preferred shares, is not being paid at present.

Letter to Shareholders

T. J. Dillon, president, in a letter to shareholders, states holders of the B preferred have signified their intention of converting their stock into common shares upon approval of the by-laws. As a condition, directors have agreed, upon completion of the conversion, to retire not less than 50% of the $299,000 of 6% first mortgage bonds.

These changes would alter the capitalization approximately as follows:

United Steel Corp. Capitalization

	Present	Proposed
6% 1st mtge. bds.	$299,000	$149,500
32,976 A pfd. shs.	$824,000	$824,000
2,500 B pfd. shs.	$235,000	......
Com. shs., n.p.v.	282,610 shs.	370,110 shs.

In commenting on the present capitalization, Mr. Dillon states:

"This capitalization requires payment of bond interest, preferred dividends on class A and class B preference shares, and also provision for substantial fixed annual sinking fund requirements on your company's bonds. Your directors have been considering a plan to simplify the capital structure of your company and accelerate the time at which the common shareholders might be in a position to participate in the earnings of your company."

McMillan Starts Drilling To Depths from 875-ft.

From Our Own Correspondent

SUDBURY.—Diamond drills are expected to be revolving again this week at McMillan Gold Mines, according to offical statement. The programme as authorized at a meeting of shareholders will be directed to testing depth chances from the 875-ft. level. It is proposed to put down a few short holes from the lowest horizon, to be followed by some deeper drilling to probe the main vein 400 or 500 ft. below the 875, where operations were suspended last spring.

It is understood the directors are giving some consideration to a proposal to reopen the mill. Known ore, of low grade, still remaining in the upper levels, it is estimated would keep the milling plant in operation for 6 or 8 months.

Prairies Export Butter

Some 794,000 pounds of creamery butter from Saskatchewan and Alberta points have gone forward to Vancouver for export—the largest shipment of its kind yet recorded, requiring the services of 25 railway cars. There were 14,000 boxes in all.

CANADIAN
FUND

Prospectus and annual report of Canadian Investment Fund, Ltd., obtainable from your own investment dealer.

CALVIN BULLOCK, LTD.

THE ONTARIO LOAN AND DEBENTURE CO
LONDON, CANADA
Established 1870
DEPOSITS ACCEPTED DEBENTURES ISSUED
Mortgage loans on owners' homes at low rates of interest
Capital (Fully Paid), $2,000,000 Reserve Fund, $2,400,000

Beauharnois Light, Heat and Power Company
(Incorporated under the Laws of the Province of Quebec)

TO THE HOLDERS OF FIRST MORTGAGE SINKING FUND BONDS 5½%, SERIES "A", OF BEAUHARNOIS LIGHT, HEAT AND POWER COMPANY

TAKE NOTICE that the undersigned has been advised by the Committee of the Bondholders, appointed at the Meeting of the Bondholders held on the 30th day of April, 1936, to the following effect, namely:—

(1) That the Committee has received from Montreal Light, Heat & Power Consolidated an offer addressed to the Bondholders to exchange (on a par for par basis) First Mortgage Sinking Fund Bonds 5½%, Series "A", of Beauharnois Light, Heat and Power Company for 3½% First Mortgage and Collateral Trust Sinking Fund Bonds of Montreal Light, Heat & Power Consolidated;

(2) That the Committee has considered such offer and approves it and strongly recommends its acceptance by the Bondholders; and

(3) That said offer is now open for acceptance by the Bondholders (subject to the conditions thereof).

A Meeting of the Bondholders is being convened at Windsor Hall, in the Windsor Hotel, Peel Street, Montreal, Canada, at the hour of ten o'clock of the forenoon (Daylight Saving Time) on August 10th, 1936, for the purpose of receiving the report of the above-mentioned Committee of the Bondholders, and of considering the offer of Montreal Light, Heat & Power Consolidated.

The terms of said offer are detailed in a printed notice of the meeting (above mentioned), copies of which may be obtained on application to Montreal Trust Company (Trustee for the Bondholders) at its branch offices as under:—

Halifax, N.S. ———— Royal Bank Chambers
Montreal, Que. ———— 511 Place d'Armes
Toronto, Ont. ———— 61 Yonge Street
Edmonton, Alta. ———— 210 McLeod Building
Winnipeg, Man. ———— 218 Portage Avenue
Vancouver, B.C. ———— The Royal Bank Building

or, Bondholders will be given particulars of the offer upon application to their local Bank Manager or their investment dealer.

Beauharnois Light, Heat and Power Company

Dated at Montreal,
July 18th, 1936.

C. C. PARKES,
Secretary.

Bond Markets

Little New Financing In Sight at Present

Volume of Funds Seeking Investment Continues to Grow — Montreal Seeks Voluntary Conversion — Bond Prices Firm

Although the volume of funds seeking investment is growing steadily, the new issue market remains comparatively barren of offerings of other than small municipal issues.

Indications are there is little possibility of any considerable amount of new financing developing in the near future. The Dominion government has completed its major financing for this year and none of the provincial governments is expected to enter the market before the fall at least. While an Ontario loan has been rumored in market circles for several weeks, The Financial Post is informed that no financing is contemplated by the government at this time. An Ontario issue of $10.5 millions of 2½% bonds which matures August 30 is being met out of current revenue.

Corporation refunding is also lagging. Several proposed issues have been postponed because of the current high level of the pound sterling. The issues to be refunded are payable in sterling as well as in Canadian and American funds so that the rate of exchange between Canada and London is of considerable importance.

British Columbia Telephone Co. is offering $10 millions of 4½% first mortgage bonds in exchange for its present 5% bonds. Any part of the $10 millions issue not taken up under the exchange offer will be sold at a later date.

While Calgary reneged on its recent proposal to pay 3% interest on account it now proposes to apply to the Alberta Public Utility Commission for the right to reduce its interest rates to 3%. Under the public utilities act, reduction of interest rates can be ordered if 60% of the bondholders are agreed, such a decision being binding on the other 40%.

Montreal Situation

PROPOSALS for forced or voluntary conversion of Montreal's debenture debt of $280 millions have been talked of for some time. At a recent meeting of the city council, the executive committee was instructed to negotiate with bondholders for a reduction in interest and as a result prices of Montreal bonds have eased off somewhat.

It is hardly likely that bondholders will take kindly to the city's suggestion of a reduced rate of interest on its outstanding bonds. It is well known that waste and graft have been rampant in Montreal for years and little or no attempt has been made by the city to improve its financial position through elimination of unnecessary expenditures. Until such time as the city takes definite action to reduce its expenditures for other purposes bondholders can rightfully turn a deaf ear to any proposals for interest reduction.

In a recent circular, Mead & Co., Montreal investment firm, states that much of the loose talk that has emanated from the Montreal city hall with regard to conversion of its debt may be considered political preparation for civic elections which are due in the autumn. The circular states further that no matter what party may emerge victorious in the forthcoming provincial election, there seems no possibility of vicious and discriminatory debt measures gaining provincial sanction.

• • •

Corporation Bonds

DESPITE a slacking in trading in the corporation bond market, prices have remained firm.

Newsprint bonds, after monopolizing the spotlight for several weeks, are being traded at slightly lower levels. Abitibi 5's have eased off 1½ points to 54.25 and Consolidated Paper 5½'s, one-quarter of a point to 48.50. M. & O. Paper 6's, on the other hand, have advanced 2 points to 41.50.

Reflecting improvement in their position as a result of Montreal Light, Heat and Power Co.'s offer to exchange its 3½% first mortgage bonds for Beauharnois 5½'s, the latter have advanced to 98 bid.

• • •

Government Bonds

THE market for high grade government bonds is marking time, price changes being irregular and fractional. For the most part, however, the market has been firm.

Trading in western provincial bonds continues quiet. Alberta and Saskatchewan bonds have lost further ground, Alberta 4's, 1957, being quoted at 62 and Saskatchewan 4½'s, 1960, at 84. Alberta 4½'s, 1951, continue to sell at a premium over the 5's and 6's, being quoted at 70 bid. These bonds were issued in order to liquidate the loans of the banks to the grain pools and are in greater demand than other issues.

British Columbia issues have strengthened slightly while Manitoba bonds have been firm.

The trend of the high grade government bond market is indicated below:

The Financial Post Average Price and Yield for High Grade Government Bonds

1936	Price $	Yield %	1935	Price $	Yield %
July 21	116.66	3.095	July 20	113.25	3.476
July 20	116.66	3.095	July 19	113.21	3.479
July 18	116.65	3.093	July 18	113.15	3.493
July 17	116.66	3.094	July 17	113.15	3.493
July 16	116.66	3.094	July 16	113.16	3.492
July 15	116.76	3.081	July 15	113.12	3.493
Year's	116.76	3.081	Year's	114.97	3.367
Range	111.50	3.597	Range	106.57	4.097

Bond Tenders

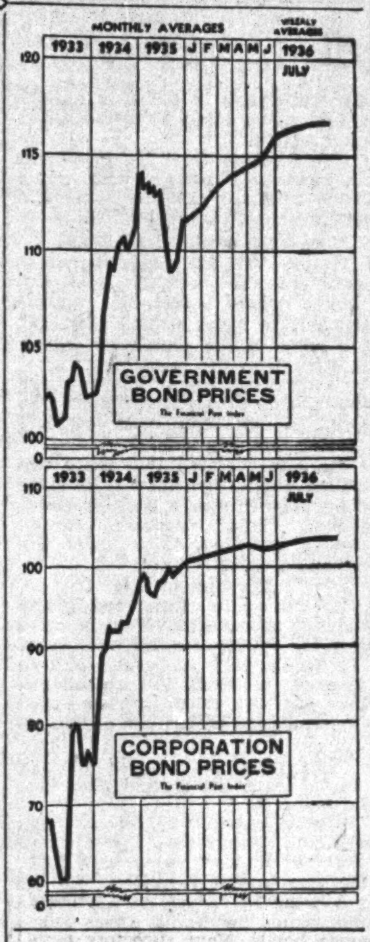
9 p.m., July 28, Sorel—$96,000, 4 or 4½% bonds, redeemable serially, Aug. 1, 1937 to 1961. A. O. Cartier, sec.-treas.

5 p.m., July 27, Pointe-Claire—$14,000, 4%, dated July 2, 1936, redeemable July 2, 1940. J. L. Vital Mallette, sec.-treas.

Classified Advertisements

Classified ads cost 4c. per word and figure for each insertion. Minimum ad, $1.75. Three insertions for the price of two. Add five words when box number is required. Classified ads payable in advance.

ENGINEER—EXECUTIVE—CANADIAN. Protestant, many years experience, plant design, construction, maintenance, mining, steel mills, automotive. Now in United States, wishes to return to Canada. Will consider a minor connection to start. Box 357, The Financial Post, Toronto, Can.



B. C. 'Phone Offers Bond

Holders of Old Bonds Are Offered 108½ to Make Exchange

From Our Own Correspondent

MONTREAL.—W. C. Pitfield & Co. head a syndicate offering on behalf of the British Columbia Telephone Co. $10 millions of 4½% series B first mortgage bonds at 105 and accrued interest in exchange for the company's first mortgage bonds of the 5% series A at 108½.

The presently outstanding 5% series A first mortgage bonds which mature in 1960 are callable at 105 on 2 months notice and are payable as to interest and principal in Canada, the United States and England.

The new bonds differ from the series A issue in that they are payable only in Canadian funds.

Exchange Covers Premium

In fixing the exchange value of the old bonds at 108½, the company is allowing $35 per $1,000 of bonds to cover premium on foreign exchange and taking the call price at 105.

In the event of the greater part of the bonds being exchanged, it is possible the company will take steps to call in the balance of the issue.

Four months' production of crude petroleum in Ontario amounted to 53,311 barrels, compared with 49,230 last year.

Bond Redemptions

Bond Issues:	Rate	Year	Date	Price
Dom. Canners ..	6%	1940	Oct. 1	110
Continental Pap	6½%	1943	Aug. 1	102½
European Elec.	6½%	1965	Aug. 1	105
Dom. T'lgraph	†5½%	1978	Aug. 2	100
Silverwood's A ..	6%	1942	Sept. 1	103
B. A. Oil	‡4%	1945	Sept. 1	102½
Toronto Carpet.	*6%	1944	Sept. 1	103
Steel of Can. ..	▲6%	1940	Aug. 1	...
Ontario Pwr. ..	*5%	1943	July 30	•110
Theffod-Vimy ..	7%	1944	Sept. 1	100
Mt. Royal T. & T.	5%	1970	Oct. 15	103

†$2,900 for sinking fund; ‡$222,000; *$33,000. ▲Tenders called for $412,585. *Tenders called for $249,569. •At not exceeding this price.

Religious Issues

Notre D. Hospital, Montreal, 5½%, Oct. 1, 102.

Public Utility Earnings

Southern Canada Power

	1936 $	1935 $
June—		
Gross revenue	173,886	168,584
Oper. expenses	75,326	67,925
Net revenue	98,560	100,659
9 Mos. End. June—		
Gross revenue	1,611,143	1,599,434
Oper. expenses	662,448	638,168
Net revenue	948,695	961,266

1937 Radio Models Will Come Sooner

Canadian radio manufacturers are planning to bring out their new 1937 models earlier this year, says Marketing. Distribution of the new radios will be effected in most cases early in September.

Last year many new models were presented at the Canadian National Exhibition at Toronto, but dealers were not stocked with new sets till some time later.

Motor Sales High In June

Only Nova Scotia Reports Slump in New Car Registrations

Continued strength in automobile sales in Ontario and Quebec, offset somewhat by a sharp drop in Nova Scotia, features early returns for June supplied to The Financial Post by Canadian Automotive Trade.

These figures show new car registrations in June to have been 11.8% higher in Ontario and Quebec than a year ago. In Nova Scotia registrations slumped from 935 a year ago to 338 bringing total registrations in Eastern Canada (exclusive of P.E.I.) to 8,392, an increase of 3% over the same period last year. Cumulative sales for the first 6 months of 1936 on the basis of these registration figures show the current year's total to be 10.5% ahead of last year.

Comparative figures follow:

New Car Registrations

	June 1936	June 1935	Six Months 1936	Six Months 1935
Ontario	5,243	4,709	28,717	28,194
Quebec	2,295	2,038	12,573	9,584
N. B.	516	462	2,032	1,516
N. S.	338	935	3,021	2,652
	8,392	8,144	46,343	41,946

Uneven Distribution

Continued uneven distribution among leading makers features June returns.

Comparative registration figures for Ontario and Quebec for the 10 leading passenger cars follow:

New Passenger Car Registrations (Ontario and Quebec)

	June 1936	June 1935	Yr. to Date 1936	Yr. to Date 1935
Chevrolet	2,017	1,563	10,612	7,870
Ford	1,492	1,886	9,035	11,281
Plymouth	918	749	4,554	4,047
Dodge	889	375	4,909	3,907
Oldsmobile	420	496	2,562	2,819
Pontiac	272	383	1,365	2,281
Terraplane	209	195	1,153	1,071
Buick	272	78	1,734	542
Chrysler	267	180	1,357	1,087
Studebaker	127	98	695	589

Staff Changes

The Royal Bank has announced the following staff changes:

L. A. POTHIER, formerly manager at Cheticamp to be manager at Mateghan River, N.S.

E. NIELSEN, formerly manager at Landis, to be manager at Craik, Sask.

G. B. BOOKER to be manager at Webb, Sask.

G. J. G. SINCLAID, formerly manager at Craik, to be manager at La Have, N.S.

J. WILSON of Webb, Sask., and I. A. JOUDREY, of Rosanville, Sask., have retired on pension.

The Bank of Nova Scotia has made the following appointment:

J. R. HUGHES to be manager at Port Elgin, N.B.

The Dominion Bank has made the following changes in staff:

W. E. SCOTT, formerly manager at Orillia, to be manager at Windsor, Ont.

J. A. WALLACE, formerly manager at Woodstock, Ont., to be manager at Orillia.

W. A. CUNNINGTON, formerly manager at Bloor & Runnymede, Toronto, to be manager at Woodstock.

The Imperial Bank has announced the following staff changes:

D. N. GRUBB, formerly accountant at Regina, to be acting assistant manager at Edmonton.

D. A. MURRAY, formerly accountant at Moose Jaw, to be accountant at Regina.

W. D. TALMEY, formerly teller-accountant at North Battleford, to be accountant at Moose Jaw.

M. B. RYALLS, formerly at Goodwater, Sask., to be teller-accountant at North Battleford.

J. BURGOYNE, formerly assistant manager at Winnipeg, to the western superintendent's department, Winnipeg.

Regent Knit Sales Advance

Large Increase in Profits for 1936 if Trend Is Maintained

From Our Own Correspondent

MONTREAL.—Gross sales and net earnings of Regent Knitting Mills during the first half of 1936 were the best experienced by the company for any corresponding period since 1927, according to an official statement. Shipments showed a material expansion over a year ago and the outlook remains satisfactory.

The only uncertainty in the outlook is the possible outcome of the Western crop and its effect on business in that area. Most of the company's business is done in the northern area which have not been as badly hit by the drought as the southern sections.

Last Half Important

While the first 6 months made a satisfactory showing, officials of the company state the company normally does only about one-third of its total business in this period and that any reversal in the second half would do much to nullify the improvement.

The question of a dividend on the first preferred stock remains in abeyance. Before any action will be taken on this matter, the company will likely carry out its proposal of writing down fixed assets, resulting from an impairment in the value of certain machinery by reason of radical changes in styles during recent years. Such a write-down would permit of the extinguishing of the accumulated deficit on the balance sheet and, also, because of the reduction of fixed assets, call for a smaller annual write-off for depreciation.

Bond Sales

Saint John

City and County of Saint John, N.B., has sold $197,500 of 3½% serial and straight term bonds to a syndicate composed of the Royal Bank, A. E. Ames & Co. and T. M. Bell & Co. at 99.417, which gives a cost basis of 3.56%. The issue is divided into 6 groups: $111,000 due serially April 1, 1937-42; $18,000 due serially May 1, 1943-54; $500, due April 1, 1942; $5,000 due Feb. 1, 1966; $3,000 due April 1, 1966; and $60,000 due July 1, 1976. Bids were as follows:

	Bids
Royal Bank; A. E. Ames & o.; T. M. Bell & Co.	99.417
Irving, Brennan & Co.; Johnston & Ward; Nesbitt, Thomson & Co.	96.07

Forest Hill

Forest Hill, Ont., has sold $68,502 of 3½% 20-year installment debentures to Dominion Securities Corp. at 102.97, which is a cost basis to the village of 3.05%. This is a new low cost for financing by Forest Hill. Bids were as follows:

	Bids
Dominion Securities Corp.	102.97
J. L. Graham & Co.	102.468
Fry & Co.	102.32
Wood, Gundy & Co.	102.035
Dyment, Anderson & Co.	101.10
Bell, Gouinlock & Co.	99.65
R. A. Daly & Co.	99.53
A. E. Ames & Co.	99.50
Griffis, Fairclough & Norsworthy Ltd.	99.10

Sherbrooke

The city of Sherbrooke, Que., has sold $875,000 of debentures to a syndicate composed of A. E. Ames & Co., Bank of Montreal and McTaggart, Hannaford, Birks and Gordon Ltd. at 99.36. The issue is divided into 3 groups: $178,000 of 2½% bonds due 1937-41; $213,500 of 3% bonds due 1942-46; $483,500 of 3½% bonds due 1947-61. Bids were for the entire issue and were as follows:

	Bids
A. E. Ames & Co.; Bank of Montreal; McTaggart, Hannaford, Birks & Gordon	99.36
Harrison & Co.	99.28
Bank of Commerce, Bell, Gouinlock & Co.; Mead & Co.	98.32
Nesbitt, Thomson & Co.; Dominion Securities Corp.; Royal Bank	97.79
Banque Canadienne Nationale; L. G. Beaubien & Co.; Ernst Savard Ltd.; Wood, Gundy & Co.	96.42

Municipal Finances

Niagara Falls, Ont., is endeavoring to find a way to make up an estimated shortage of $40,000 for relief purposes in the 1936 budget. This amount is made up of $20,000 reduction of revenue and anticipated costs in excess of the budget.

• • •

Brandon, Man., reports that cash receipts during the first half of 1936 amounted to $245,656, compared with $216,548 in the first 6 months of 1935. The increase is almost entirely due to the earlier issuance of tax bills this year.

• • •

Kemptville, Ont., has authorized the issuance of $38,500 of debentures to provide funds for the erection of a combined public and high school building.

• • •

Ottawa, Ont., reports total receipts to July 3 of $4,645,949, which compares with total collections of $4,512,747 in the first half of 1935, a gain of $133,202.

• • •

Toronto, Ont., relief costs for the first half of 1936 were $490,992 lower than in the same period last year. Gross relief expenditure for the period was $5,002,945, compared with $5,621,973 for the first 6 months of 1935. The provincial and federal government's contributions amounted to $3,490,213, leaving a net cost to the city of $1,512,732. In June there were 4,322 less cases on relief and 4,498 fewer families. The maximum number of cases on relief in June was 21,957 and 17,441 families.

• • •

Windsor, Ont., expenditures in the first 6 months of the year exceeded budget estimates by $224,432, according to City Treasurer Albert Cook. The over-expenditure is made up, in the main, of 3 items. The largest is in discount allowed on prepayment of taxes. The amount set aside for this was $120,000 for the whole year, but in the first 6 months $148,378 was used for this purpose. The next largest over-expenditure is in the education estimates, the excess being $86,823. Expenditures in the relief department were $69,754 in excess of estimates.

• • •

St. Simeon Village, P.Q., is paying interest coupons for July 1, 1936, on by-law No. 9 bonds. Interest is also being paid on past due bonds.

• • •

York Twp., Ont., and the Ontario Department of Municipal Affairs are deadlocked over the question of levying an additional tax in order to carry on relief at the present scale until the end of the year. The Department of Municipal Affairs has ordered the preparation of new tax bills for an additional levy of 5.3 mills while the township council has refused to carry out the order. The township instructed its solicitors to apply to the courts for an interim injunction restraining the Department of Municipal Affairs pending an appeal to the Ontario Municipal Board. It was found, however, that an amendment to the Ontario Municipal Board Act this year makes an appeal impossible without the consent of the Minister of Welfare. It is stated unofficially that if an additional levy is not made, no interest will be paid on township bonds this year. Last year the township paid 3% on account.

Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

Municipal—	Date Sold	Sold to	Rate	Due	Amount	Price	Yield
Saint John, N.B.	July 14	Royal Bank and syndicate	3½%	......	$197,500	99.417	3.56%
Forest Hill, Ont.	July 15	Dominion Securities Corp.	3½%	1937-56	68,502	102.97	3.05%
Port Arthur, Ont.	July 9	Bell, Gouinlock & Co.	4%	1937-51	12,000	99.65	4.05%
Sydney, N.S.	July 15	Irving, Brennan & Co.	4½%	20-ser.	200,000	99.70	4.02%
New Waterford, N.S.	July 15	W. L. McKinnon & Co.	5%	20-yr.	83,000	....	.....
Sherbrooke, Que.	July 20	A. E. Ames & Co. and syndicate	2½% 3% 3½%	1937-41 1942-46 1947-61	178,000 213,500 483,500	99.36	....

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

Bond Issues—	Date Issued	Offered by	Rate	Due	Amount	Price	Yield
B. C. Telephone	June	W. C. Pitfield & Co. and syndicate	4½%	1961	$10,000,000	*105	.....
Stock Issues—							
Halliwell Gold Mines	July	Johnston & Ward	...	......	300,000 shs.	20c	.....

*Offered in exchange for series A bonds.

Sound Credit Rating

MUNICIPAL HONOR ROLL

THE CITY OF OTTAWA

As is indicated by the fact the city recently achieved a record in municipal financing through the sale of $610,000 of 5-year 2% debentures at a net cost of 1.65%, which is the lowest rate on record for a Canadian municipal issue of this type. Ottawa enjoys the best credit rating of major Canadian cities.

Good management and excellent tax collections have been the major factors attributing to the maintenance of a sound position by Canada's capital city. Its tax collections are among the best in the Dominion and are considerably better than for any city of comparable size. Being the seat of the federal government, the city has unusual stability of income among its taxpayers.

In 1935 tax collections improved over the previous year, collections of current taxes amounting to 87.6% of the levy compared with 86.7% in 1934. Toronto, on the other hand, collected only 82.3% of its levy in 1935; Hamilton, 78.5%; Montreal, 70.3%; and Winnipeg, 68.6%.

Tax Arrears Low

As regards tax arrears Ottawa enjoys a preferential position when compared with other Canadian cities of a population of 100,000 or more. At the end of 1935 per capita tax arrears amounted to $9.85. This compares with per capita tax arrears of $14.54 for Toronto; $17.09 for Hamilton; $21.39 for Montreal; and $15.87 for Winnipeg.

The city's experience in regard to relief expenditures has also been fortunate in that it has found it necessary to fund only a comparatively small amount. In fact, until 1934 relief costs were met entirely out of current revenue. In 1934 and 1935 a portion of relief costs were funded. In the current year two-fifths of direct relief costs and all expenses of relief administration are being met out of current revenue. Net cost of relief to the city during the past 4 years and the portion met out of current revenue are as follows:

	Gross cost $	Net cost to city $	Paid out of current rev. $
1935 ...	2,227,785	820,639	210,639
1934 ...	1,928,333	703,047	213,047
1933 ...	1,876,826	621,197	621,197
1932 ...	682,447	204,775	204,775

Not only has Ottawa a lower per capita debt than other cities in Canada of 100,000 population or more, but it has come through the depression with very little increase in debenture debt. Debenture debt, after deducting sinking funds, amounted to $18.8 millions at the end of 1935. This compares with $18.9 millions in 1932.

While floating indebtedness of $2.7 millions is large, the city enjoys a strong current position. Current assets at Dec. 31 last totalled $2.8 millions, but in addition there were deferred assets of $833,991 which have since been realized. These were $610,000 of relief costs to be funded and $223,991 due from the provincial government. Included in current assets were $563,000 in cash, $75,000 in marketable securities and $393,000 in accounts receivable. About 75% of the latter was due from the federal and provincial governments.

Of a gross debenture debt of $23.7 millions, $6.5 millions has been issued for public utility purposes. Since the city's utilities operate at a profit these are not a charge upon the tax rate.

Expenditures, with the exception of relief, have been kept within estimates for the most part and as a result the city usually shows a profit on its operations.

Foreign Exchange

Foreign exchange markets continue dull, with volume at a very low ebb.

In the week ended July 20, gold bloc currencies dipped slightly. The franc, however, retained the new dollar parity for most of the period. France still appears to hold the key to exchange developments, with most authorities convinced that devaluation is inevitable. Meanwhile, operators are hesitant to take a position in the franc, feeling that the quotation can't go much higher, and recalling the trimming received by short sellers back in 1928.

Raising of sanctions against Italy was followed by no increase in demand for her currency. Severe exchange restrictions had been imposed by the Italian government long before sanctions were introduced.

FOREIGN EXCHANGE AT TORONTO AND MONTREAL

	Par $	July 14	July 15	July 16	July 17	July 18	July 20
U. S. dollar, High	.5906	1.00⅛	1.00⅛	1.00⅛	1.00 1/32	1.00 1/16	1.00 1/16
Low	.5906	1.00 1/32	1.00 1/16	1.00 1/16	1.00 1/32	1.00 1/16	1.00 1/32
1935, High	.5906	1.00 3/16	1.00 3/16	1.00 1/32	1.00 1/32	1.00 3/16	1.00 1/16
Low	.5906	1.00 1/16	1.00⅛	1.00⅛	1.00⅛	1.00 1/16	1.00⅛
U. K. pound	4.8665	5.03¼	5.03½	5.03⅜	5.03¼	5.03½	5.03⅜
Argentina	.4246	.2721	.2735	.2736	.2734	.2735	.2739
Australia	4.8665	4.0180	4.0194	4.0189	4.0194	4.0207	4.0180
Austria	.1407	.1891½	.1893½	.1893½	.1893	.1892	.1893⅛
Belgium	.1392	.1696½	.1696	.1693½	.1693	.1692	.1692½
Brazil	.1963	.0573¾	.0573¾	.0575½	.0573¼	.0575½	.0585¾
Czechoslovakia	.0296	.0416¼	.0416½	.0416¼	.0416¼	.0416¼	.0416¾
Denmark	.2680	.2247	.2249	.2248	.2247⅝	.2247¾	.2248½
France	.0392	.0664	.0664¼	.0664¼	.0663⅝	.0663	.0663
Germany	.2382	.4041	.4045	.4044	.4039¾	.4039¼	.4037½
Greece	.013	.0095	.0095	.0095	.0094¾	.0094½	.0094⅝
Holland	.4020	.6833	.6828½	.6827½	.6821⅝	.6818	.6819
Hungary	.1749	.1997½	.1993	.1993	.1991⅝	.1990½	.1991¼
India	.3650	.3831½	.3832	.3830½	.3829½	.3826	.3832½
Japan	.4985	.2943½	.2943½	.2943¾	.2940¾	.2940	.2942
Jugoslavia	.1929	.0231½	.0231¼	.0231¼	.0231¼	.0231¼	.0231¼
New Zealand	4.8665	4.0585	4.0600	4.0595	4.0600	4.0613	4.0584
Norway	.2680	.2529½	.2531¼	.2530¼	.2530	.2529¾	.2529½
Poland	.1122	.1895	.1897	.1900	.1900	.1901	.1899
South Africa	4.8666	5.0073	5.0093	5.0086	5.0093	5.0108	5.0073
Spain	.1929	.1378	.1376½	.1376¾	.1375¼	.1375	.1374½
Sweden	.2680	.2595½	.2597¼	.2596½	.2596	.2596	.2596⅛
Switzerland	.1930	.3263	.3281	.3281½	.3278	.3277	.3278
Hong Kong	.5422	.3244	.3244	.3244	.3243	.3240	.3247

Asbestos Co. Calling Bonds

Retirement of Thetford-Vimy Issue Cleans Up Underlying Bonds

From Our Own Correspondent

MONTREAL.—All of the underlying bonds of Asbestos Corp. will be redeemed September 1 next, when the company pays off approximately $330,000 of Thetford-Vimy Ltd. bonds.

Funds for the redemption are not being provided out of earnings, according to R. W. Steele, president, which are insufficient for this purpose, but from the sale of short term first mortgage bonds. The Thetford-Vimy bonds carry a coupon of 7% and a saving in interest charges will be effected by this move as the new bonds will carry a lower interest charge.

There is no official information as to how the new bonds will be placed. It is likely, however, that they will be placed privately, so there will be no need to borrow from the banks or make a public offering.

Clean Up Debt Position

Since the reorganization of Asbestos Corp. in 1932, earnings of the company have undergone a marked improvement. So much so that last January the company redeemed all the outstanding 5% first mortgage bonds of Asbestos Corp. of Canada. Again in May the debt of another subsidiary, Maple Leaf Asbestos, was retired.

With the Thetford-Vimy bonds out of the way, the company will have no underlying debt. Additional to the proposed first mortgage bonds, the company will have issued $2,343,000 of 6% general mortgage bonds, on which interest arrears have been reduced to 8%.

Obstacles in Way of Dividend

For some time the market action of the common stock has pointed to a dividend, but before this can take place the general mortgage interest arrears will have to be liquidated and the sinking fund brought up to date.

Under the reorganization plan, it was provided that before any dividends could be paid on the common, the company had to redeem or purchase an average of at least $250,000 par value of general mortgage bonds per annum as from the beginning of 1933. Arrears on the sinking fund now amount to over $875,000.

The general belief is that when the time is opportune the company will redeem its general mortgage bonds, probably at a lower rate of interest, which will not only eliminate the contingent liability in respect to the sinking fund, but will hasten payment of dividends on the common stock.

Natural Business Year Closing Date Outlined

The Natural Business Year Council of New York published a tentative schedule of suggested fiscal closing dates for some 225 types of business, both retail and industrial.

These are dates that which "it appears desirable for various types of business to close their accounts for the fiscal year." They are based on a survey of present practice including correspondence of representative companies and trade associations, returns from questionnaires to certified public accountants, and other special studies. A final authoritative list is planned for the near future.

Obituary

William P. Ellis, formerly superintendent of the Massey-Harris Co., Ltd., mechanical engineer, and formerly associated with McKinnon Industries, St. Catharines, Ont. He died at his home in Toronto, aged 61.

• • •

Gerald Ephraim Hart, former general manager of the Phoenix Fire Insurance Co., in Montreal. Mr. Hart, who was 86, was the author of several Canadian historical works and a well-known numismatist and antiquarian.

• • •

Sigmund Frankel, vice-president of Frankel Bros. Ltd., Toronto, in his 70th year. He was born in Germany.

• • •

Samuel B. Gundy, manager of the Canadian branch of the Oxford University Press and one of the organizers of the Canadian Chamber of Commerce, in Toronto.

• • •

William Beatty, Goderich, Ont., insurance man and formerly associated with the Royal Bank of Canada. He died suddenly at his summer home near Goderich, Ont., aged 62.

Horse Breeders Active

The 219 horse breeders' clubs operating in 1936 under the club policy of the livestock branch, Dominion Department of Agriculture, are the largest since the inception of the policy in 1933.

NOTICE OF REDEMPTION

City of St. John's, Newfoundland

6% 15-Year Sinking Fund Bonds Maturing February 1, 1947.

NOTICE is hereby given that pursuant to the terms of the Act 23 Geo. V. (1932) Chapter Five and of the Prospectus of Issue of the Bonds the Montreal Trust Company, Trustee of the Sinking Fund, has drawn for redemption the bonds hereunder listed, to the capital par value of $100,000.00, and that the said listed bonds will be redeemed on the First day of August, 1936, at par, with accrued interest on the principal thereof to the First day of August, 1936, at any of the principal offices of The Royal Bank of Canada in the cities of St. John's (Newfoundland), Montreal or Toronto (Canada) upon surrender of said bonds with coupons due on the First day of August, 1936, and with all subsequent coupons appertaining thereto, at any of the said offices on said date.

Holders of bonds are required to present their bonds and coupons as aforesaid for redemption at one of the said offices on the said date; and in case such presentation be not made on the said date all interest on such bonds shall cease from and after the said First day of August, 1936.

Numbers and Denominations of Bonds to be Redeemed:

Series A—$1,000 Denomination

011, 013, 016, 021, 022, 030, 032, 046, 047, 056, 058, 065, 070, 072, 075, 077, 079, 080, 098, 106, 121, 123, 124, 136, 141, 143, 146, 147, 157, 161, 164, 165, 175, 178, 188, 191, 195, 196, 199, 213, 214, 215, 218, 232, 233, 236, 239, 247, 248, 251, 261, 263, 264, 268, 269, 270, 271, 273, 275, 289, 294, 295, 298.

Series B—$500 Denomination

005, 006, 026, 029, 032, 041, 045, 047, 053, 059, 071, 077, 085, 106, 113, 119, 121, 127, 130, 134, 142, 144, 154, 159, 168, 173, 177, 179, 184, 186, 191, 211, 214, 215, 216, 218, 223, 225, 238, 243, 250.

Series C—$100 Denomination

004, 008, 012, 013, 014, 024, 025, 030, 031, 033, 037, 038, 043, 045, 050, 053, 057, 060, 066, 067, 075, 078, 089, 093, 100, 106, 109, 118, 124, 135, 143, 149, 150, 152, 165, 177, 184, 187, 192, 196, 199, 204, 205, 208, 206, 213, 225, 227, 229, 230, 231, 237, 239, 240, 255, 261, 262, 263, 274, 284, 286, 294, 297, 304, 306, 307, 311, 313, 314, 322, 326, 329, 330, 332, 339, 350, 353, 359, 364, 366, 368, 372, 374, 375, 384, 387, 388, 389, 390, 403, 409, 413, 416, 418, 422, 428, 430, 435, 437, 446, 447, 456, 458, 470, 474, 476, 482, 485, 492, 502, 510, 513, 514, 520, 525, 532, 538, 539, 545, 550, 555, 556, 560, 566, 576, 580, 582, 590, 592, 595, 596, 599, 601, 602, 604, 605, 606, 607, 610, 615, 633, 644, 647, 649, 655, 660, 667, 668, 669, 673, 683, 695, 700, 702, 705, 706, 715, 718, 719, 722, 726, 735, 739, 741, 746.

Dated the 21st day of July, 1936.

MONTREAL TRUST COMPANY,
Trustee.

CONVERSION OFFER

$10,000,000

British Columbia Telephone Company

First Mortgage Bonds 4½% Series B

To be dated June 1st, 1936. To mature June 1st, 1961.

Principal and semi-annual interest (June 1st and December 1st) payable in lawful money of Canada in Saint John, Halifax, Quebec, Montreal, Toronto, Winnipeg, Vancouver and Victoria, Canada, or in St. John's, Newfoundland. Coupon Bonds in denominations of $1,000 and $500, registerable as to principal only. Fully Registered Bonds in denominations of $1,000 and $5,000. Redeemable in whole or in part at the option of the Company on any interest payment date before maturity on sixty days' notice at a premium of 10% up to and including June 1st, 1941; the premium decreasing 2½% each five-year period or fraction thereof thereafter; in each case with accrued interest to date of redemption.

In the opinion of counsel, these Bonds will be a Legal Investment for Life Insurance Companies under the Canadian and British Insurance Companies Act, 1932, Canada.

If, as and when issued and received by us, and subject to approval of legal proceedings by Messrs. McPhillips & McPhillips, Vancouver, B.C., for the Company, and by Messrs. Stairs, Dixon & Claxton, Montreal, P.Q., for ourselves, we offer, subject to confirmation by us and to our right to change or withdraw this offer without notice, First Mortgage Bonds of the 4½% Series B of British Columbia Telephone Company above described, at 105% and accrued interest in exchange for First Mortgage Bonds of the 5% Series A of British Columbia Telephone Company at 105% and accrued interest plus an allowance at the rate of $35 per $1000 of Bonds to cover premium on foreign exchange.

A copy of the prospectus which has been filed with the Secretary of State of Canada in accordance with the provisions of The Companies Act, 1934, will be furnished upon request by any of the undersigned to whom applications for conversion should be addressed.

It is expected that Bonds of the 4½% Series B will be ready for delivery on or about July 31st, 1936.

W. C. Pitfield & Company
Limited

Wood, Gundy & Company
Limited

The Dominion Securities Corporation
Limited

Nesbitt, Thomson & Company
Limited

Cochran, Murray & Co.
Limited

Hanson Bros. Incorporated

McLeod, Young, Weir & Co.
Limited

Pemberton & Son Vancouver
Limited

Gairdner & Company
Limited

Midland Securities Corporation
Limited

Collier, Norris & Henderson
Limited

H. A. Humber, Limited

C. M. Oliver & Company
Limited

The Western City Company, Limited

The Financial Post

Member Audit Bureau of Circulations

A weekly newspaper, presenting in a popular manner, reliable information respecting investments, business and national affairs in Canada.

The Financial Post Has the Largest Paid Circulation of Any Canadian Financial Paper

Editor—FLOYD S. CHALMERS
Business Manager—D. M. GOWDY

THE FINANCIAL POST BUSINESS YEAR BOOK, YEARLY, $2.
THE FINANCIAL POST SURVEY OF CORPORATE SECURITIES, YEARLY, $2.
THE FINANCIAL POST SURVEY OF MINES, YEARLY, $2.
THE FINANCIAL POST RECORD OF PROSPECTUSES, HALF YEARLY, $7 per volume.
THE FINANCIAL POST CORPORATION SERVICE, $20 monthly. Special prices for individually selected investor's service.
DIRECTORY OF CANADIAN DIRECTORS AND OFFICIALS, YEARLY, $10.

Published by
THE MACLEAN PUBLISHING CO., LIMITED
481 University Ave., Toronto 2.
Founder and Chairman — JOHN BAYNE MACLEAN
President — HORACE T. HUNTER
Vice-President and General Manager—
H. VICTOR TYRRELL

ADVERTISING RATES
Single insertion—$3.64 per inch.
Debenture and Dividend Notices—26c. per agate line.
Contract rates upon request.

SUBSCRIPTION PRICE
Canada, United States, Mexico, British Empire, $5 per year, all other countries, $6.

MONTREAL—Dominion Square Bldg., Murray R. Chipman, Eastern Manager; John E. Langdon, Eastern Editor.
GREAT BRITAIN, London, Resident representative: J. K. Ross-Duggan, Sun of Canada Bldg., 2, 3 and 4 Cockspur St., London, S.W.1. Telegraphic Address, Atabek, Lesquare, London.

TORONTO, JULY 25, 1936

A Second Chance for Stock Crooks

SHOULD the stock swindler get a second chance? This is a lively question in Canada.

Recently The Financial Post refused to accept the advertising of a notorious ex-bucket-shop operator now in business under a "dummy" name in Toronto. He is just out of prison, where he spent some time for running a bucket-shop. As he is operating in Ontario he has presumably obtained authority from the government to do so. Was the government right in giving him a "second chance"? Was The Financial Post wrong in refusing him the opportunity of advertising in its columns?

Whatever else may be said for jail, the record so far does not show that it is an effective instrument for making crooked financiers straight. When they get out of jail most stock swindlers and bucket-shop operators want to go back to stock selling, promoting or whatever "work" they know best. Is it in the public interest to let them do so?

John M. Godfrey, Ontario's Securities Commissioner, appears to think it is well to give some, but not all, of these men a chance again. Mr. Godfrey says, in an interview in this issue, that some of them well repay the consideration shown them but his remarks also show that the privilege has to be extended to such men with the greatest of care and with exceptional safeguards.

Every securities commissioner is familiar with the argument that fair play requires that any man who has served a jail sentence should have the right to make his living again in the trade or profession or business that he knows. A grocer or a railroad man or a mechanical engineer can leave jail and work at what he knows: therefore why not a stock salesman or promoter? it is asked.

One man who underwent a jail term 25 years ago has since then formed company after company in different provinces and in different countries. All have gone broke, the public has not had a single break in its favor in all that time, and yet his record is clear so far as the police are concerned because he did learn one lesson thoroughly when he went to jail. Since he got out he has not omitted a single legal formality at any time and the law is therefore satisfied. But he has caused more loss by far since he got out of jail than he ever thought of doing in the days of his inexperience.

If jail made a crooked man straight, the argument for fair play would be sound. Most social studies indicate that the majority of criminals come out of prison worse than when they went in. Banks and most business houses or businessmen will never employ an absconding cashier after he has theoretically expiated his crime by serving a sentence. They may have the best will in the world for his future success but their attitude will be that he must make his comeback in some other line. He has forfeited the right to handle other people's money until years of fair dealing have shown he can be trusted again.

The State has found it necessary to limit practising doctors, lawyers and professional men generally to those who can fulfill or have fulfilled exacting requirements. Even a reckless motorist runs continuous risk of losing his license to drive a car. Should not a reckless promoter or stock salesman be similarly curbed?

So far the public has seen nothing but good come from the effective administration in Canada of securities laws. The public sentiment can therefore be depended on to rally in favor of those who protect the public savings and rout the crooks. If it is difficult sometimes to decide whether or not a man is sincere in his protestations of reform, a refusal to give registration may hurt the heart of the refuser but it would undoubtedly be in some cases a protection to the savings of the public.

Complainant, Judge and Jury

THE amount of money that is being spent by the administration at Ottawa on royal commissions, parliamentary enquiries and other investigations is excessive and calls for some protest from the taxpayers. Most of these investigations are being carried on for the purpose of providing the voting public with "free" side shows. But no government is able to provide anything free. It has only one source of revenue, and that is the taxes that it collects or must ultimately collect.

Governmental enquiries do not always have even the merit of being independent investigations such as might produce accurate and corroborated data upon which policies could be based. The present investigation into the textile industry looks very much like an effort to make a case against the textile companies. The redundant enquiry into the implement industry has the appearance of a search for ammunition to be used by farmer members with their constituents.

The usual political attitude towards supposedly independent enquiries was well demonstrated by an answer given in the House by Hon. Ernest Lapointe, minister of justice, to Miss Agnes Macphail, who asked when the royal commission for investigation of penitentiaries might get about its work. Mr. Lapointe replied:

> "As my hon. friend knows, the third commissioner, Mr. Harry Anderson, unfortunately died, and another gentleman whom I expected to induce to accept the appointment has also been called by death. I have in mind another prominent gentleman who has always been deeply interested in these matters, and who entertains to a large extent the views regarding these questions held by the late Mr. Anderson. I am in hopes that he will accept when he is through with some work which he actually has on his hands. At all events the investigation will be proceeded with before the next session of parliament."

A "prominent gentleman who has always been deeply interested in these matters" might be a very suitable candidate for such a royal commission, but when it is candidly admitted that he "entertains to a large extent the views regarding these questions held by the late Mr. Anderson," one wondered what the purpose of the royal commission is. Mr. Anderson, who was on that commission, campaigned ceaselessly in the newspaper, of which he was editor, against the supposed iniquities in the penitentiary service. He went to the commission with his views pre-conceived and rigid.

This is no reflection upon Mr. Anderson's judgment as an editor, and it does not even imply that the views he held so strongly were based upon errors of fact or judgment. When a man brings to light serious conditions in some branch of the public service, such as the penitentiaries, he is doing a public service. But if the government decides that the next step is to appoint a royal commission to investigate those charges, it should not appoint as one of the investigators the gentleman who made the charges. This is too much like putting the complainant on the bench. Mr. Anderson's unfortunate death removed him from the royal commission, but it is hard to see why the government was called upon to hunt around for another man holding the exact views of Mr. Anderson to take his place. It would have been far better to have obtained the services of an intelligent, judicially-minded person whose opinions were not already formed.

Australia Points Way

THE government of Australia and the 6 state governments had an aggregate surplus of $2.4 millions for the financial year that ended on June 30.

The Commonwealth government showed a surplus of $16 millions. The 6 states had aggregate deficits of $13.6 millions.

It is estimated that by the end of the financial year, 1936-37, the aggregate state deficit will have been reduced to between $4 and $8 millions and that the Commonwealth revenues will continue to be abundant.

There is a strong public demand for a reduction of federal taxation, which still includes the greater part of the excess taxes imposed 6 years ago for the depression.

Recently the Loan Council—which consists of the Commonwealth and state governments—met and fixed the borrowing programme of the 7 governments for 1936-37. The amount of borrowings authorized was cut by one-third from last year to $80 millions instead of the $120 millions for 1935-36.

Employment has so improved that lower loan expenditures are possible.

The federal government has agreed to give the states a grant of $2 millions from its surplus. Those that balanced their budgets would be allowed to use the money for public works; the others, to aid in budget balancing.

Last year, deficits of the Dominion and the provinces in Canada exceeded $200 millions.

There is no centralized or joint control of public borrowings.

The "How" of Life

> "Sir Josiah Stamp, who presented the prizes at Sedbergh School on Saturday, said that although there were great men and leaders of the world who had come from the bottom half of the form, it should not be imagined that that was the way to leadership and greatness. Statistics showed that a far greater proportion came from the top half."

ANOTHER equally famous railway chairman might disagree with Sir Josiah. Sir Edward Beatty was—according to tradition—usually at or near the bottom of his classes at Model School and University of Toronto. Yet it is not recorded that young men gain preferred entrance to the Canadian Pacific Railway by failing in their examinations at school.

It is difficult for the young boy at school to know what he should do about it. If he wins all the gold medals and gets, perhaps, an Oxford or Cambridge scholarship, he will certainly be looked upon with suspicion by the majority of businessmen in Canada. If he stands at the other end of the list it may be equally difficult for him to find his first job.

The important fact is that ability to pass school examinations is only one of many of the abilities required in a life of service and achievement. Courage means more than trigonometry; a sense of fairness is more important than a knowledge of Latin; loyalty to one's better purposes counts for more than Greek.

The schools that are turning out the young men and women most likely to be important social and political factors in the coming years are the ones that devote not more than half of their time and effort to teaching from textbooks.

In his Sedbergh address, Sir Josiah Stamp said that boys were not educated when they left school unless they knew "the how."

And in his baccalaureate address to McGill students in 1934 Sir Edward Beatty said:

> ". . . Be courteous. Strive to hold dignity in a world which seems to be losing it. Be honest."

Editorials in Brief

No doubt the tariff will ultimately get the blame for what the drought has done to crops this year.

* * *

Now that we know that Omar Khayyam did not write the Rubaiyat we may expect any day to be told that the Fathers of Confederation did not draft the terms of Canada's constitution.

* * *

Wall Street odds on Roosevelt are down from 8-5 to 6-5. Straw polls show Roosevelt leading for the popular vote but with "key" states swinging to Landon so that the Republican has a modest potential lead in the electoral college.

* * *

Major Doi, chief of the Soviet section of the Japanese General Staff, said in Osaka the other day, "Russia is now decidedly capitalistic and will become more so." This is a shrewd observation. But the Third Internationale, which is the Communist propaganda agency of the Soviets, does not seem to have learned what Stalin has learned and other nations are observing: that a gradual shift to Capitalism is Russia's only salvation.

* * *

William Shakespeare's fiction tragedy of Hamlet, Prince of Denmark, is said to have given rise to more writings on the mind and character of his legendary Danish hero than on any man who actually lived; excepting only the great Hebrew prophets of the Bible. The Ottawa Citizen boasts that Social Credit now has a literature larger than that dealing with any other economic school of thought except Socialism. Like the Hamlet fiction, the Social Credit myth is interesting for its obscurities but it is not great art or great literature.

* * *

> "NEW YORK . . . . . The trend of economic factors affords no explanation of the increase in strikes since 1932, according to an analysis by the National Industrial Conference Board."

The explanation in the United States is probably the same as in Canada. It was reported in last week's issue of The Financial Post in an article on Communist agitation. The Canadian delegate to the Third International congress in Russia let the cat out of the bag when he said:

> "From a narrow sect the (Communist) party in Canada has developed since 1930 into the leadership of 90% of all strikes."

* * *

An American foreign letter expresses the opinion that Britain's turn toward the Dominions "may have been too long delayed as Canada now is coming within the United States trade orbit; South Africa revolts at the Ethiopian debacle and Australia's interest is in the Pacific."

The letter concludes, "This is a pool in which the United States can catch trade fish."

The high tariff policy of Washington is not good bait for catching trade fish. And it is a little early to assume that Empire economic solidarity is breaking down. Things looked gloomy at Ottawa in 1932 but good trade pacts that have developed new trade within the Empire resulted from that conference.

Post-Scripts

IT WILL be news to many Canadians that Hiram Walker celebrated his 96th birthday on July 11. This Hiram Walker is not the actual founder of the famous whisky business, but is a nephew of the original distiller after whom Walkerville was named. "Little" Hiram, so called because of his small stature, was born in 1840, worked 38 years for his world-famous uncle from 1865 to 1903. Although Walkerville was named after the original Hiram, it was the present Hiram A. who was the first mayor upon incorporation of the municipality. He retired in 1903 at the age of 63 and now resides at 15 Sandwich Street, Walkerville.

Sayings of the Week

"Don't take stock in anything that comes out of Wall Street."—*Bernard M. Baruch.*

* * *

"I like work; it fascinates me. I can sit and look at it for hours."—*Jerome K. Jerome.*

* * *

"Witch-burning used to be a virtue, and lending money at interest a vice."—*Sir James Jeans.*

* * *

"My faith in the future of Canada remains unshaken."—*Rt. Hon. L. S. Amery, M.P., president, The Trust and Loan Co. of Canada.*

* * *

"Today there are too many frills in education. I believe that children should be taught the fundamental truths."—*Henry Ford.*

* * *

"The Communist party is just as legal . . . as the Conservative party." — *Tim Buck, general secretary of the Communist party in Canada.*

* * *

"When government tells a university what to do, even if it endorses the multiplication table, it ceases to be a university."—*Nicholas Murray Butler.*

* * *

"The finding of a new range of radio broadcasting frequencies is of more importance than the discovery of a new gold field."—*David Sarnoff.*

* * *

"My advice to young people is to work honestly and find themselves peace and contentment. That is the best part of life."—*Charles M. Schwab.*

* * *

"I sometimes think there are only two kinds of persons in the world — conservatives who won't try, and experimentalists." — *Arthur Garfield Hays.*

* * *

"The way to a resumption of work is to allay fear, ease the brakes on business, and to give capital, now shrinking back from investment, the spur of possible profit."—*Judge G. W. Maxey, of Pennsylvania.*

* * *

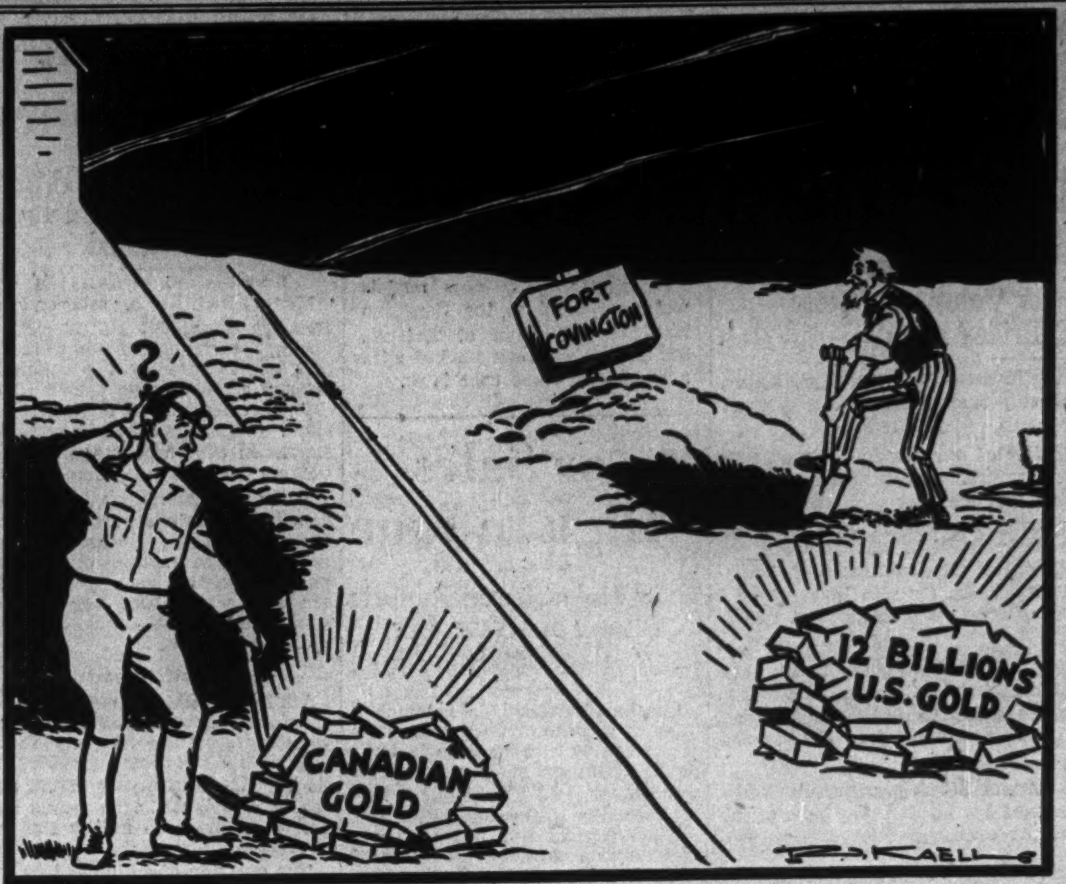
"So far as Canada is concerned, there is no danger to our national unity and our economic recovery so serious as participation in a prolonged war."—*Premier W. L. M. King.*

* * *

"You can keep the gold. We all had a lot of trouble digging it out of the ground and now you can have it. You are too rich over here. You can have your gold."—*Montagu Norman, governor of the Bank of England, to U. S. reporters.*

* * *

"The Dominion Housing Act is a financial measure designed to accelerate the investment of funds in development of housing. It is extremely unlikely that any adequate housing programme will emerge from this form of legislation without radical changes."—*Dominion Fire Marshal C. Grove Smith.*



—*Drawn for The Financial Post by R. Kaell.*

NEWS ITEMS
Canada: Canadian gold production booms to new heights.
U. S. A.: Federal government puts $12 billions of gold back in the ground at new vaults in Kentucky.

Cecil Rhodes Recalled

Those who saw the Rhodes film that has been going the rounds of motion picture theatres in Canada were given the chance to look at one of the most striking phases of the history of the British Empire. Yet to only the older generation is Cecil Rhodes regarded as contemporary history.

There died the other day in Canada a very fine old gentleman, young in spirit, vigorous in body, keen in mind. He has nothing to do with this story, except that he was born in the same year as Cecil Rhodes. Many young men who have regarded Rhodes as a personage out of the history books would have been surprised to know that a man of exactly Rhodes's age was still active in business in Canada. Rhodes, of course, died young. He lived intensely, and all that he accomplished was done quickly.

Reminiscences Broadcast

One of Rhodes's contemporaries, a man who knew him and was associated with him, was G. A. L. Green, now editor emeritus of the Cape Argus, Cape Town, South Africa. The other night he broadcast some reminiscences from Cape Town of the great empire-builder.

In describing how people in South Africa and many, too, in England, felt about Rhodes some 40 years ago, Mr. Green stated that he once asked a man from overseas who had been staying with Cecil Rhodes — the man was a famous artist—what impression Rhodes had made on him. His reply was: "I look upon Rhodes as a large part of Africa." Certainly, he was responsible for a large part of its development.

Outlining some of the reasons why Rhodes should be gratefully remembered by the people of South Africa, the editor emeritus of the Cape Argus pointed out that the thousands of tourists who visit Victoria Falls each year owe this privilege to Rhodes. He it was who built the railway by which tourists travel. It was a link in his great scheme to link the Cape and Cairo.

What Rhodes Accomplished

"Then there are thousands of people from all parts of South Africa—many, too, from the United Kingdom—who have settled happily in Rhodesia. They would not be there were it not for Cecil Rhodes's scheme of expansion to the north.

"But for Rhodes, Bulawayo might still be the Place of Killing. There would be no delightful city of Salisbury. Wankie, the world's greatest coal mine, would possibly still be unknown.

"The gold industry of Southern Rhodesia would not exist and there would be no great copper mines working in British territory north of the falls.

"The western province owes some of its prosperity to its fruit export industry, now under a cloud. Rhodes was the pioneer of that industry. He established also the great explosives factory at Somerset West.

"Even the University of Cape Town would not stand where it does but for Rhodes's wish to have a teaching college on the slopes of Table Mountain. That wish some of his friends, who had the handling of trust money, remembered after his death and this led to their provision of a half million of money to make the idea practicable.

Sponsored Architect

"If you enquire why it is that the homes in the suburbs of Cape Town, Pretoria and Johannesburg are so much better in design and fitness than those of Sydney or Melbourne, again the answer is Cecil Rhodes. He it was who discovered and helped along Herbert Baker — the young English architect who first taught us to break away from the mid-Victorian ugliness and revert to the better early Dutch tradition."

His master stroke, of course, was the amalgamation of the diamond mines at Kimberley which saved the industry from ruin.

Of Rhodes's parliamentary career, Mr. Green said: "Rhodes was not, I think, a parliamentarian in the true sense. He sat in parliament and held office purely from a sense of duty, but he could not be bothered to master the niceties of parliamentary etiquette or procedure.

"When he laid a paper on the Table it was generally the wrong one. The cut and thrust of debate had for him no fascination. His style in addressing the House was easy, familiar, unprovocative. Like General Smuts in our own day he would never stoop to personalities or invective.

"He liked to treat his opponents as reasonable beings, who would listen to plain common sense and would be open to conviction.

No Well Planned Speeches

"Never did Rhodes's speeches smell of the midnight oil. But though there were no purple patches, he would occasionally jerk out some telling phrase or epithet that stuck in the memory.

"After listening to him one felt the glamor of his tremendous personality—the man was patently greater than his words."

Mr. Green stated that there was a time Rhodes's enemies in England denounced him as a soulless stockjobber. "This," according to his former associate, "was sheer imagination on their part.

His Aim in Life

"Gambling in stocks and shares did not attract him. Nobody cared less for money for its own sake. His whole view of wealth and its uses was unselfish. All his schemes had only one object in view—what he termed the betterment of humanity.

"The dominant aim of his life was to leave the world better than he found it.

"Don't let any writer, however brilliant, delude you into the belief that Rhodes was a hard man. He was intensely human. He did not wear his heart on his sleeve. Sometimes he would affect cynicism. But in his inmost nature lay unsuspected depths of tenderness, known to only a very few of his intimate friends.

Held No Grudges

"For all his mistakes, Rhodes was a great man, a very great man. He always took a big view of most questions, and were he alive today, I feel sure that he would see no harm in the new Imperial relationship and rejoice in the improved relations between the English and the Dutch.

"Never for long did he harbor resentment.

"Add to this that he never betrayed a friend or forgot a service, and what more is there to be said?

"He was indeed not perfect, for the perfect man has never existed."

For Honest Advertising

Bulletin of the Toronto Better Business Bureau

Readers of business advertisements nowadays have no hesitation in accepting as accurate the claims set forth by merchants, and their confidence, with rare exceptions, is justified. However, this happy condition of affairs did not always exist. It has been brought about largely over the period of the last 25 years.

The movement for truth in advertising was inaugurated by the Associated Advertising Clubs of America and consequent upon their efforts, Better Business Bureaus have been established in most of the larger centres of Canada and the United States which are rendering efficient and conscientious service in the public interest.

In general, the objectives are improved business standards and practices. Among these the necessity for accuracy in advertising is stressed. It is realized that in order to make advertising yield its maximum benefits, both to the advertiser and to the prospective purchaser, there must be no resort to fraudulent or misleading statements. Facts, not fiction, must be employed in the presentation of the merchant's wares.

Due to the activities of the Better Business Bureaus this is the all but universal condition in Canada and the United States today. It remains so principally because of the ready co-operation and good sense of merchants themselves, plus the active vigilance of the Bureaus whose services are gladly extended to any citizen who feels that he has been deceived or who has any cause whatsoever for complaint as to any business transaction to which he has been a party.

As a result, honest merchants are protected from those of less conscience and the public are similarly served. Bad practices are brought to the attention of the offender and in this way any transgression is quickly nipped in the bud.

Business Paper Renders Service

Maclean's Weekly

Staff magazine of the MacLean Publishing Co. Ltd.

In the April issue of Canadian Trade Abroad the leading article covered air-conditioning from many angles and showed various types of equipment available from Canadian manufacturers.

The result from this air-conditioning article gives very definite proof of wide circulation and very deep interest with which the paper is read.

The following extracts from a few of the enquiries indicate that Canadian Trade Abroad is consulted all over the world for the possibilities of overseas buyers purchasing their requirements from our manufacturers.

D. Couper-Johnston & Co., Bangkok, Siam, writes: "We were very interested to read your article on air-conditioning and air cooling, and shall be grateful if you will put us in touch with the manufacturers of air-conditioning equipment."

Caro & Jerrat Ltd., Auckland, New Zealand, have asked us to connect them with manufacturers of air-conditioning equipment with a view to handling the Canadian product for their territory.

Sime, Darby & Co. Ltd., Singapore, write: "We will be very interested to have details of the air-conditioning equipment manufactured in Canada."

Saarloos Handelmaacschappij, N.V., of Rotterdam, Holland, writes: "With more than ordinary interest, we have read your article on air-conditioning. In view of this we should appreciate your bringing us in touch with Canadian manufacturers who are making self-contained equipment of this nature."

Becker & Co., Soeraba, Java, have communicated with us through their Amerssoort, Holland, office as follows: "We are interested in air-conditioning for the Dutch East Indies and would like to have particulars of Canadian manufacturers."

N. Rosenfeld, of Johannesburg, South Africa, writes: "In looking through your magazine for April, we note you have dealt with various types of air-conditioning equipment manufactured in Canada. We are particularly interested in introducing this system into South Africa and shall esteem it a favor if you will kindly put us in touch with these manufacturers."

A further enquiry comes from a Calcutta, India, firm, who say: "I want to take on a line of air-conditioning plants for India. Kindly forward me full particulars of equipment."

It is also interesting to note that J. C. McGillivray, Canadian Government Trade Commissioner at Rotterdam, Holland, communicates with us to the effect that, since our article was run in April issue, he has had a number of enquiries from Dutch concerns interested in air-conditioning equipment, and has written us asking our assistance in connecting these concerns with the manufacturers. A very large amount of buying for the Dutch East Indies is done through Rotterdam and Amsterdam.

Need we say much more as to the interest of readers in Empire and foreign countries?

Landon Gains

BY RAYMOND MOLEY,

Former Chief of Roosevelt's Brain Trust, in an Editorial Today.

The first Landon-Roosevelt poll published by Dr. Gallup's Institute of Public Opinion provides the unexpected news that sentiment in this country is about evenly divided between the two candidates for President.

After personal study of Dr. Gallup's methods, I am convinced that his polls are scrupulously honest and as scientific as present knowledge can make them. Their accuracy has been proved on a number of occasions in the past. They are better indications of public opinion than the Literay Digest poll, for reasons too technical and numerous to set forth here.

The Gallup poll of last Sunday shows that the popularity of President Roosevelt has dropped from 55.8 to 51.8 in one month; that 13 states are safe for Landon and that 8 more are for Landon by a narrow margin; that 24 states are safe for Roosevelt and 3 more states are for Roosevelt by a narrow margin. On this basis, Landon would receive 272 electoral votes as against Roosevelt's 259. It takes 266 to elect.

Polls are not elections. Nevertheless they not only reflect a changing situation, but themselves influence changes in sentiment.

Whether this startling indication of Landon's strength will influence the future strategy of the Democrats remains to be seen. If they do not deceive themselves, it will. It seemed to thoughtful people that the warlike note struck in Philadelphia, which could only be interpreted as the assurance of a continuation of Leftist reform, was unsound politically because the country was temporarily tired of reform. The Gallup poll provides impartial evidence to support the wisdom of that judgment.

International Men Needed . . .

By STEPHEN LEACOCK

Canadian Humorist and Economist in "The Rotarian."

The world has long since outgrown feudalism, and yet we don't seem to realize it. National isolation, national war, national exclusiveness, are in reality things of the past. Every art and mechanism of our economic life, our manufacture, our transport, our flights in the clouds, our voices in the ether of space, all proclaim the unity of the globe. Everything has been unified —except man himself.

What the world needs now is internationally minded men.

All the people of the world, taken by and large, are mighty fine people, with energy and kindness and love, valuing just the same things that we do, with the same care for their children and their friends, and their home town. All these things we value, they value.

The international man is able to enter into the patriotism and pride of the history of other peoples: to admire and value what they have done in the past: to look with veneration at the tattered flags that recall their battles, and to thrill at the music of their national airs.

As Others See Us . . . . .

Another Reason Aberhart May Fall

St. Thomas Times-Journal

Divergence of views held by members of the Aberhart cabinet will cause the downfall of the Alberta Social Credit government within a year, predicts a writer in The Financial Post. A shortage of the funds to put the Social Credit scheme into operation may also have something to do with it.

Buying on Hope

Fort William Times-Journal

The Financial Post makes an ingenious suggestion to those who wish to make their fortunes in a speculative drive. It is suggested that a killing might be made by picking up defaulted bonds and taking the chance that the revival of business will bring them back to their original value.

In order to profit by the advice of The Financial Post the buyer would have to possess a wide acquaintance with the conditions that prevail in the financial world with respect to the securities that he contemplates buying. There have been instances in which substantial recovery has been shown by bonds which could at one time have been picked up for the proverbial song. But, on the other hand, there are bonds which seem to be destined to remain in the low-price category and which may eventually be written off as worthless.

Drumheller's Position

Drumheller Plaindealer

On the eve of Drumheller's Silver Jubilee celebrations, The Financial Post reports upon the financial condition of Alberta cities. The City of Drumheller can justly point with pride to the report which places Drumheller as one of two cities in Alberta whose finances are in sound shape.

Drumheller's mayor and councillors have seen to it that wasteful expenditures were curbed. Bank loans have been frowned upon. No new debenture issues have been made, councillors following a policy of paying cash for local improvements.

Result of this far-sighted plan has been to free the city from the threat of bankruptcy and will mean, in the not far distant future, reduction in taxation.

After twenty-five years of building, the City of Drumheller stands on the threshold of a new era of prosperity. This year new commercial buildings will be erected. Home owners are likewise making improvements. An ambitious sidewalk programme is being inaugurated. Mining development is being carried on in the surrounding district.

No longer need we view Drumheller as a mining camp. The city today is firmly established as one of the leading commercial centres of the province.

Modernizing Our Railroads

Victoria Times

Senator A. D. McRae asked before the Senate Railway Committee at Ottawa a few days ago whether the Canadian railways were not facing huge investments for modernization in the next few years. Judge Fullerton, retiring C. N. R. chairman, surprised all when he replied: "I cannot see that at all. Some of our stations may not look very well and a few of our trains need a little paint, but we have plenty of engines and track."

The last sentence, doubtless, is only too true. But The Financial Post reminds us that obsolescence is the thief of profits and when executives are not on guard it robs an organization of its earning power. The Post finds Canadian railways have been growing obsolete. Throughout the world, new types of engines, freight cars, passenger trains and other equipment have been devised, even in these depression years. Our railways, probably because of the seriousness of their financial problems, have been slow to accept new ideas and put them into execution.

But now they are wider awake. They are making a drive to recover passenger traffic lost to buses; to meet truck competition in freight; to design and construct new equipment. The Canadian National has its first powerful streamlined locomotive on display; the C. P. R.'s smart modernized passenger train is getting its finishing touches in the shops. These are significant first moves; millions of new expenditure are hardly to be avoided or our railways will be left behind along with the other relics of the buggy.

Stop Me If You've Heard This One . .

"Most interesting," said the sweet young thing to the motorcar salesman, "and now show me the depreciation, please; I hear it is heavy in these cars."

"As a matter of fact, madam," replied the opportunist, "we found it a source of worry, and had it removed."

Week in Business

Record Business Level Marred by Crop News

June Volume Reaches New High Point — Foreign Trade Continues Upward Climb

Preliminary figures of June business in Canada show a further gain for the month into new high ground. By crossing the 110 mark The Financial Post index of the physical volume of business is not only 10% above the so-called "normal" year 1926 but is also back to the level of midsummer, 1930. It is nearly 9% higher than in June of last year.

This means in effect that business volume is at a higher level now than at any previous time with the single exception of a 25-month period at the height of the 1928-29 boom. In fact, for scores of business firms and trade activities, today's output is far in excess of anything achieved even in that period.

Another important fact is that business is now being conducted on a slowly rising plane as compared with the sharp downhill trend after April, 1929. Not only is there a steady undertone of improvement through most business operations but similar strength in most price and inventory situations gives the general direction of business a much healthier prospect than was apparent when business was last being conducted around present levels. Of course it must be remembered that much natural growth has occurred since 1926 to warrant expansion in that time. Population for example has grown 15 per cent which explains in part the fact that about 10% of our wage-earners are still unemployed.

* * * *

Drought Retards Recovery

For the immediate future, a year which has rolled up many new records is clouded by drought inroads in the West and in many other agricultural communities. Normally 4 or 5 out of every 10 people in Canada are dependent either directly or indirectly on agriculture although only 2 out of every 10 make their living directly in that calling. Thus Canada's stake in prosperous farming is a tremendous one and it seems difficult to see how the necessary work of reconstruction and development which must go on in this country, can proceed very fast without a definite turn for the better in agricultural output. Barring exceptional impetus from external sources, business in Canada in the next 6 months cannot help but suffer from the reduced agricultural output.

* * * *

$725 Millions of Trade

One outstanding feature of June business was the continued strength in foreign trade, particularly imports which were one-third greater than in the same month last year. Exports were higher by 35% due to the sharp jump in wheat sales and also to increased shipments of lumber and nickel. Imports were the largest since May, 1931, and gained 32% over corresponding figures for June, 1935.

Trade figures for the first 6 months of the year show total imports higher by 14.5% and exports up 20.8%. In round figures this means our sales abroad were $425 millions since the turn of the year while at the same time we imported from other countries $300 millions of merchandise. This renewed awakening of external trade has been one of the major features of 1936 business.

Changes of the Week

Favorable

Carloadings continued the gain of last week and moved into new high ground for the year. Heavy movement of miscellaneous and merchandise freight again featured the week's figures.

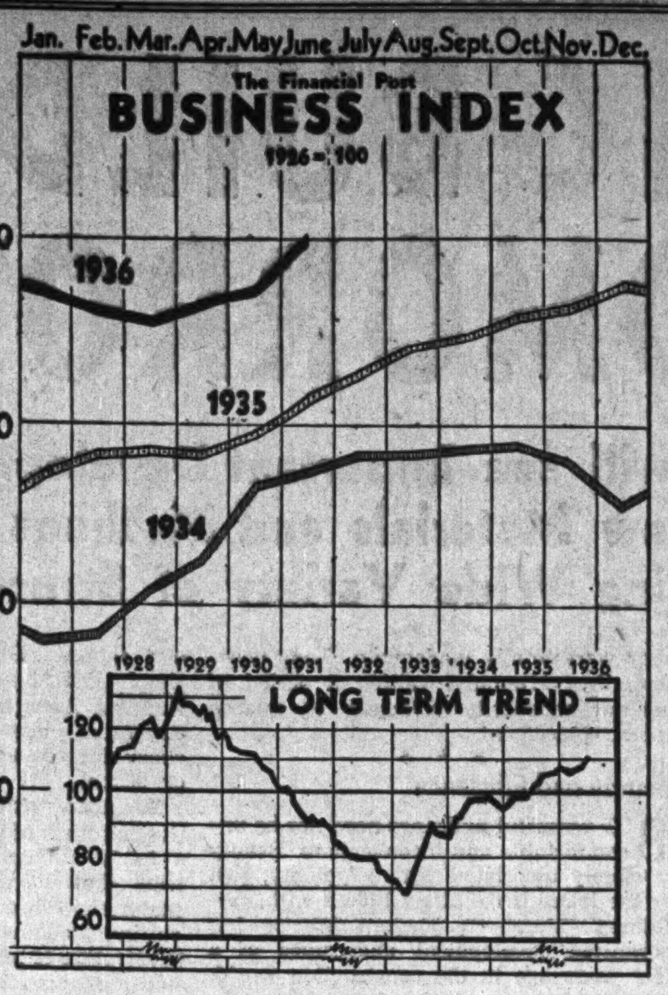
Other gains for the week included a new high point for The Financial Post business index, substantial increases in foreign trade for June, and a new high mark for newsprint production.

Business Indicators as Compiled by The Financial Post

▲Denotes new figures this week.

WEEKLY DATA	Latest 1936	Latest 1935	Cumulative Total Jan. 1 to date 1936	Cumulative Total Jan. 1 to date 1935
Transportation—				
Car loadings (July 11)	▲47,912	45,668	1,216,910	1,199,488
C.N.R. gross earn. (July 14)	$ ▲3,513,275	$ 3,306,396	$ 92,386,818	$ 86,521,262
C.P.R. gross earn. (July 14)	$ ▲2,502,000	$ 2,428,000	$ 67,275,000	$ 69,392,000
Business Conditions—				
Weekly index D.B.S. (July 4)	▲107.7	99.3	....	....
MONTHLY DATA				
Business Conditions—	1936	1935	1936	1935
Financial Post index (May)	110.1	101.3	......	......
Transportation—				
C.P.R. net revenue (May)	$ 1,450,289	$ 1,143,914	$ 5,615,450	$ 4,658,306
C.N.R. net revenue (May)	$ 933,551	$ 654,527	$ 2,465,398	$ 2,663,221
Iron and Steel (May)—				
Pig iron production (tons)	58,832	45,432	283,973	215,222
Steel ingots and castings prod. (tons)	94,602	72,811	496,504	314,713
Automobiles (Number)—				
Passenger Car:				
Domestic sales* (May)	15,854	13,858	51,598	47,338
Factory output (May)	16,389	17,093	73,238	78,114
Trucks and Buses:				
Domestic sales* (May)	3,239	2,717	10,709	9,068
Factory output (May)	3,617	3,672	16,310	17,470
Exports (May)	4,314	4,684	24,337	31,380
Construction—				
Building permits (June)	$ ▲4,580,740	$ 5,104,855	$ 17,500,420	$ 24,640,511
Contracts awarded (June)	$ 20,803,400	$ 18,521,400	$ 77,706,500	$ 75,594,500
Newsprint (tons)—				
Production (June)	▲270,051	232,020	1,489,363	1,286,273
Exports, tons (May)	▲258,288	239,880	1,076,705	936,333
Sugar (lb.)				
Melting & sales§ (raw)	▲96,053,265	93,608,459	303,134,553	291,101,980
Manufactured§	▲92,455,481	87,364,302	292,386,286	294,392,109
Flour (bbls.)—				
Production (May)	1,196,339	1,164,322	5,378,549	5,142,549
Wheat flour exports (June)	430,171	429,561	2,291,172	2,242,945
Trade—				
Retail trade (index no. of sales) (May)	▲72.9	68.3	......	......
Imports (June)	$ 61,795,177	46,731,689	298,080,583	260,372,393
Exports (June)	$ 79,181,200	58,504,829	42,314,144	380,032,873
Wheat exports (bush.) (June)	25,763,565	6,494,622	94,587,586	45,005,121
Employment, D.B.S. Index (June 1)—				
All industries	102.0	97.6	......	......
Manufacturing	103.4	98.4	......	......
Electric Power Output (May)—				
Total monthly (000's omitted)	2,083,045	1,923,071	10,411,384	9,563,844
Other Industrial Indices—				
Lumbering:				
Plank & board exports M. bd. ft. (May)	136,894	129,517	485,035	457,365
Boot & shoe prod., pr. (May)	1,795,518	2,032,751	9,320,902	8,907,936
Crude petrol. imp. gal. (May)	103,517,363	131,131,917	323,829,524	328,749,567
Cotton imports, lb. (May)	9,858,993	6,316,015	62,202,905	43,654,569
Raw rubber imp., lb. (May)	4,974,572	8,800,907	19,636,856	26,724,581
Coal imports, tons (May)	1,360,026	1,485,060	3,342,676	3,637,479
Finance—				
Bank debits (May)†	$ 2,979,199	$ 3,132,209	$ 14,111,283	$ 12,505,825
Bond sales (May)	$ 45,531,750	$ 70,542,182	$ 544,578,864	$ 208,452,156
Life insurance sales (May)	$ 28,977,000	$ 27,423,000	$ 155,483,000	$ 149,443,000
Automobile Financing—				
Used cars (May)	$ 3,634,272	$ 2,478,268	$ 10,159,868	$ 7,186,121
New cars (May)	$ 4,932,173	$ 3,868,725	$ 13,402,925	$ 10,463,412

*D.B.S. All-Canada figure comprising over 90% of the Canadian total.
†000's omitted. §For 4 weeks to June 13. ‡Final.



BUSINESS AT NEW HIGH

The first half of 1936 ended on an optimistic note, based on the further expansion in business operations. A considerable lead had been shown over the early months of 1935 and a new high point since 1930 was recorded in June. The advances were by no means general, a decline being indicated by the factors showing the trend of mineral production.

The bright spots in manufacturing included meat packing, newsprint and lumber, and the oil industry. The outlook of the construction industry was somewhat improved following the disappointing exhibit of April and May. The power industry met with excellent demand in June, the index of the average daily output being greater than in any month except April. The gain in imports was the feature in the records of external trade.

Major Canadian economic factors in detail follow:

Major Canadian Economic Factors

		June, 1936	June, 1935	May, 1936	Percentage Inc. or Dec. June, 1936-1935
The Financial Post business index		110.1	101.3	107.9	+8.7
Wholesale prices		72.3	71.5	71.8	+1.1
Common stock prices		113.8	93.8	112.8	+21.3
Shares traded, Montreal	No.	406,378	228,433	371,140	+77.9
Inverted index of Dom. bond yields		149.5	136.2	145.3	+9.8
*Bank deposits		111.3	106.1	113.7	+4.9
Mineral production:					
Copper exports	cwt.	245,944	377,461	419,190	—34.8
Nickel exports	cwt.	142,281	99,511	130,693	+43.0
Zinc exports	cwt.	286,456	152,011	338,290	+88.4
Manufacturing production:					
*Flour production	bbls.	1,196,339	1,164,322	1,009,464	+2.7
Cattle slaughterings	No.	135,975	117,119	136,916	+16.1
Hog slaughterings	No.	269,474	194,613	279,710	+38.5
Raw cotton imports	lb.	7,415,651	7,397,290	9,858,993	+0.2
*Leather boot & shoe prod.	pr.	1,645,108	1,899,077	1,923,141	—13.4
Newsprint production	tons	270,051	232,020	267,067	+16.4
Automobile production	No.	16,400	15,745	20,006	+4.3
Petroleum imports	gal.	153,619,168	131,873,166	103,517,363	+16.6
Crude rubber imports	lb.	4,574,160	3,215,286	4,974,572	+42.4
Exports of planks and boards	ft.	169,550,000	129,800,000	136,894,000	+30.6
Construction: Contracts awarded	$	20,803,400	18,521,400	14,962,800	+12.3
Building permits	$	4,580,740	5,104,855	4,165,838	—10.3
Railways: Carloadings	No.	200,840	185,880	190,068	+8.0
Exports	$	79,942,000	59,398,716	84,515,466	+35.1

*Preceding month.

Background of Business

Cigarette Consumption At New High Mark

Six Months Total Nears 2.5 Billion Mark — U. K. Using More Canadian Leaf

Cigarettes released for consumption in Canada reached a new high peak in the first 6 months of 1936, according to figures released this week by the Department of National Revenue. The total is within short distance of the 2½ billion mark and is 4.5% greater than the total in the first 6 months of 1935. It is considerably greater than for any previous year.

Since there was in Canada in 1935 an estimated population of 10,949,000 (of which about 3,500,000 were children under 14 years of age) and since consumption from January to June was 2,472,000,000 this works out to 1.8 cigarettes per day for every man woman and child in the Dominion over the age of 14.

Incidentally the number of cigarettes released for consumption in Canada in June established a new high mark for that month at 506.1 millions.

* * *

British Demand Grows

And while Canadian demand for the finished product reached a new high, word comes from Great Britain of the increasing popularity of Canadian tobacco in that country. In an analysis of the U. K. situation by J. H. English, Canadian Trade Commissioner at London, the forecast is made that use of Empire tobacco (in which Canadian is an important factor) will show for 1936 an increase on average over any previous year or at least be as high as the year 1933. The 1935 ratio was 22.00%

"It cannot be seriously doubted," he says, "that Empire tobacco, in which Canadian is an important factor, is being employed to a greater extent than ever in cigarette manufacture. Already Empire tobaccos account for probably as much as from 75% to 80% of all pipe blends sold on the British market. Enlargement in this direction is not to be anticipated, particularly when it is realized that consumption of pipe tobaccos is now a fairly constant figure. Therefore it follows that Empire is gradually coming to be used more generally in the cigarette trade. This is precisely what Empire producers have always wanted.

"It is more than likely, therefore, many of the numerous new brands which are constantly appearing on the British market contain a percentage of Empire leaf. This development is likely to increase as time goes on and, given favorable circumstances, the process will assume considerable proportions. But it will require a continued production of high-class tobacco, with preferably some guarantee to manufacturers that prices will remain at economic levels and be free, as far as possible, of great price fluctuations. Probably the latter is considered by most manufacturers as the most important consideration, apart from quality."

* * *

1937 Fair Bookings

A record demand is being made for space in the 1937 British Industries Fair in London.

Within one week of the issue of firms of application no fewer than 308 exhibitors had applied for 156,768 square feet of exhibiting space, exclusive of applications for space in the textiles section, for which forms are being issued later.

Never before have London exhibitors applied for so extensive an area within 7 days after getting their application forms. At the corresponding date last year 259 exhibitors had applied for 127,121 square feet of space.

The present position is that 521 firms have applied for 274,330 square feet up to June 23, exclusive of the textiles section.

* * *

Hat Talk

There is more talk about changes in men's hats next fall and winter than for many years, says Men's Wear Merchandising. Hat makers are planning to play up distinct types of finishes so as to attempt a clear dead line between fall and winter hats. This year, cooler felts in light weight and comparatively light colors will be featured in the autumn, with rough finishes, suede mixtures and "ramies" in homburg and bound edge styles being displayed as the winter season advances. Lighter shades will dominate sharply this fall, grey being worn 3 to one against brown, it is said.

Business Lead Over Year Ago Is Continuing

First Half Returns Make Nearly 9% Gain Over 1935

INCREASE GENERAL

Business operations showed further acceleration in June, reaching a new high point since the latter part of 1930. The Financial Post business index advanced from 107.9 in the preceding month to 110.1 in June. The stellar performance in the month made an excellent ending for the first half year of 1936. The pronounced lead over last year is indicated by the advance of nearly 9% in the business index, the standing in June of last year having been 101.3.

Expansion General

The expansion in business operations was buttressed by betterment in general economic conditions. The high grade bond market was exceptionally strong reaching a new high point for the period of observation. In terms of the 1926 average, the index of Dominion long term bond yields was 66.9. The standing in the same month of last year was 73.4.

Bank deposits showed a slight recession from the high point of the preceding month. The deposit liabilities of the banks are now higher than at any time since 1930.

Owing mainly to the gain in crop and animal products, the index of wholesale prices more than made up the recession of the preceding month. Common stock prices were slightly stronger in June than in May, the index standing at 113.8 against 112.8, the gain over the same month of last year having been 21.3%.

Mineral Production Down

The production situation was mixed in June, advances being predominant. Mineral production receded from the high level of the preceding month, but most branches of general manufactures recorded gains.

Construction and electric power made a better showing.

Appreciable gains were recorded in carloadings and in imports, while exports were at a somewhat lower level.

Copper and nickel exports dropped off considerably after seasonal adjustment, the index of nickel exports having been 224.9 against 266.2 in May. Lead production was practically maintained while zinc exports dropped off sharply. The gain in asbestos exports was greater than normal for the season and bauxite imports for the manufacture of aluminum were much greater.

The gain in the index of the manufacture of foodstuffs was about one and one-half points. Flour production was heavier in the last month for which statistics are available and a considerable gain was shown in rolled oats. The manufacture of sugar after seasonal adjustment was nearly maintained at the high level of the preceding period.

The meatpacking industry was in the limelight in June, slaughterings of the 3 classes of livestock reaching considerably higher levels.

The gain in the exports of cheese was less than normal for the season, while the index of canned salmon exports advanced from 80.1 to 102.4.

More Tobacco Released

Releases of tobacco were nearly maintained, a gain being shown in cigars while cigarettes showed a slight decline after seasonal adjustment. The index of automobile tires advanced from 65.5 to 70.1, and crude rubber imports were nearly maintained after seasonal adjustment. Imports of wool reached an exceptionally high level, while raw cotton and cotton yarn showed decline.

The forestry group was one of the strong features. Gains were recorded in newsprint production and in exports of planks and boards. The shipment of wood pulp to external points was at a considerably lower level and a recession was shown in the export of shingles.

Ingots Down, Pig Iron Up

The recession in the production of steel ingots was greater than normal for the season, while the output of pig iron showed an adjusted gain.

The record of the construction industry was better, the index of contracts awarded advancing from 35.6 to 50.5.

The index of electric power production was greater than in any other month except April.

Financial transfers in the form of bank debits showed a marked gain over the preceding month, contrary to seasonal tendencies.

Last of Italian Sanctions Lifted

From Our Own Correspondent

MONTREAL. — All restrictive financial measures imposed by Canada in connection with the League of Nations sanctions imposed upon Italy have been abrogated, according to advices received from the Federal Department of Finance by the Montreal Stock Exchange and Montreal Curb Market.

This action restores to members of the exchanges, the right of free exchange of securities and other transactions with persons or corporations resident in Italian territory.

Commodity Prices

	Latest week	Previous week	Same week last yr.
Cattle	$5.75	$6.15	$6.55
Hogs	9.60	9.60	9.60
Copper, lb.	.09½	.09½	.08
Cotton, lb.	.1312	.1359	.1220
Rubber, lb.	.1641	.1670	.1194
Sugar, raw, lb.	.0370	.0370	.0320
Silk, lb.	1.68	1.69	1.51
Wheat (Man.) bus.	.94	.91⅛	.80¾
Coffee, lb.	.08¼	.07⅞	.08¾
Hides	.10½	.10¼	.09¾
Weekly Indices			
N. Y. Annalist	124.4	126.3	123.0
Fishers'	83.3	83.8	81.6
N. Y. Journal of Comm.	81.2	82.0	78.7
Crumps (Brit.)	69.5	69.0	64.2
U. S. Labor	79.5	79.4	79.1
Canada (D.B.S.)	73.9	72.8	71.2

Monthly Indices

Canada (D.B.S.)	Latest month	Prev. month	Same last year
Retail (June)	80.0	80.1	78.8
W'sale (June)	72.3	71.8	71.4
U. S. Labor (Mar.)	79.6	80.6	78.4
Gt. Brit. (Mar.)	91.7	91.7	86.9

Note: The base of indices is that 1926 equals 100. British index is Board of Trade converted to 1930 base.

Base of price quotations is as follows. cattle—steers, good, over 1,050 lb., top price. Toronto: copper—electrolytic, New York: silk—Japanese, 13-15, New York: Sugar—96 degrees centrifugal c/f New York: wheat—No. 1 Man. North., Ft.-W.-Pt. A. basis; hides—No. 1 packer light native cows, New York; hogs — select bacons, Toronto.

Hupp to Make 1937 Motor Car

New Line to be Sold in Canada When Available

Announcement has been made that Hupp Motor Car Corp. has applied for exhibit space at the New York Motor Show opening November 11, and that engineering work has already started on a new 1937 line on which the company expects to start production late this summer.

Some financial problems still remain to be cleared up, says Wall Street Journal, although officials are said to be hopeful sufficient funds can be secured through sale of unused plants and from other sources. No costly changes are said to be involved in the 1937 models.

The new 1937 Hupmobiles will be marketed in Canada as soon as they are available, according to information given to The Financial Post.

An important executive change was the appointment of Thomas Bradley as chief executive officer last week following the death of Wallace Zweiner, president.

Regardless of the Amount

Whether the amount to be invested is large or small, clients of this firm are assured of careful and courteous attention to their requirements.

A complete investment service is available at any of our Branches

A. E. AMES & CO.
LIMITED
Business Established 1889
TORONTO
Montreal Winnipeg Vancouver Victoria New York London, Eng.

In any test—
"EXPORT"
CIGARETTES
—will convince you.

"Be It Ever So Humble"

IT is to the "humble homes" of Canada that the great majority of Life Insurance payments find their way.

Many such homes today would lack the necessities of life—were it not for the "little savings" which thrifty parents have set aside periodically in Life Insurance.

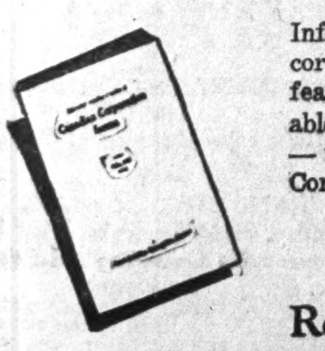
To the family which loses its breadwinner, Life Insurance means money to buy food and clothing—money to pay the rent—money to pay household bills—money to educate the children. Life Insurance also means, in many cases, independence of private charity or public relief.

In your own community, as well as in hundreds of cities and towns across Canada, "little savings" in Life Insurance are doing "big jobs". During the past six years, policyholders and beneficiaries in Canada have received, daily, half a million dollars from Life Insurance.

"Be it ever so humble"—there's no home which cannot have the much-needed protection of Life Insurance.

Life Insurance

Guardian of Canadian Homes



To Investors in Bonds

Information frequently required in connection with corporation securities — such as maturity dates, call features, denominations, currencies in which payable, sinking fund provisions, earnings figures, etc. — is given in concise form in our booklet "Canadian Corporation Issues".

Handy pocket size. Free on request.

Royal Securities Corporation
Limited

Offices throughout Canada
244 St. James Street Montreal
330 Bay Street Toronto

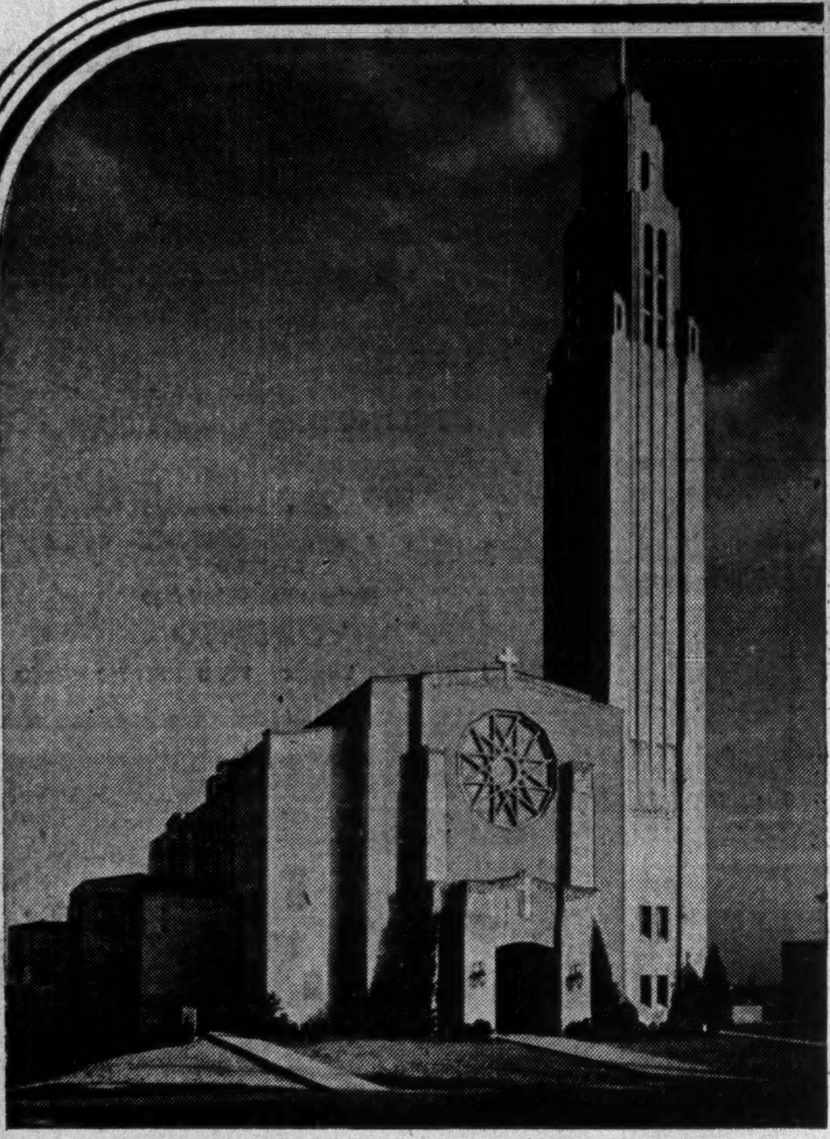
Invest by Mail

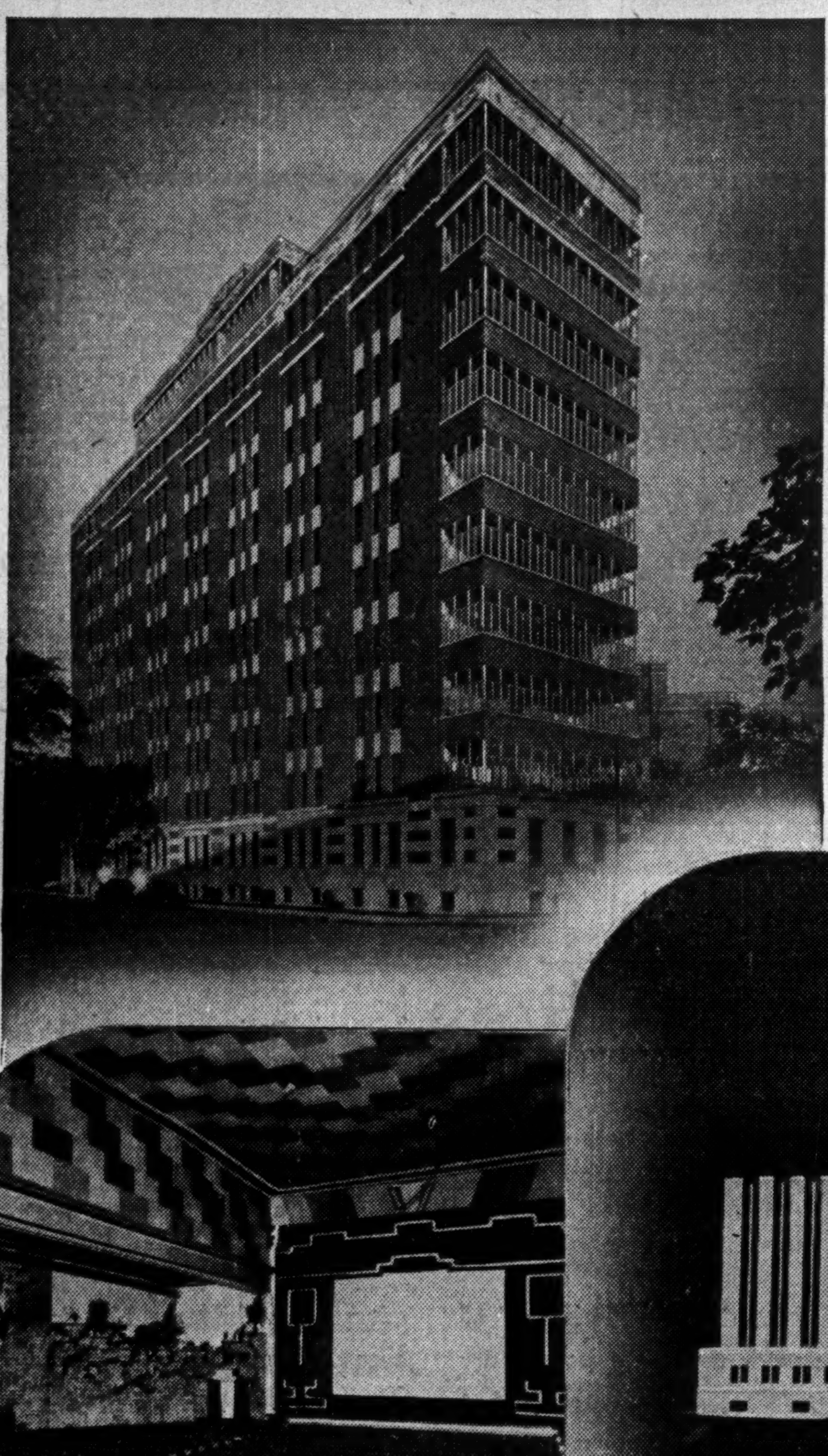
All orders and enquiries regarding securities which are received by mail are given our prompt and careful attention. Write for our list of offerings.

McLEOD, YOUNG, WEIR & CO.
LIMITED
Metropolitan Building, Toronto
Telephone: Elgin 0161
Ottawa Montreal
London Hamilton

PUBLIC BUILDINGS OF TOMORROW...

Next Five Years will see Important Developments in Public Building Field—New Materials and Methods to Play Major Role in Modernizing Wide Variety of Structures





RELIGION AND HEALTH find new stimuli in modern structural forms. The church at top is an unusual expression of concrete as an architectural medium. The building below is the recently completed Montreal Western Hospital.

STEADY progress toward complete national recovery in Canada brings rapidly closer an era of expansion in that type of construction classified under the heading of public buildings. The next five years will see a vast replacement of schools, colleges, churches, court houses, auditoriums, city halls and other places where the general public congregates. How will these coming structures take advantage of the building developments that have accumulated since the end of the last big expansion?

With public buildings the field is entirely different from that of commercial construction. Direct revenue is of little or no consideration, but architectural beauty is. In many cases, tax free ground is already at the disposal of the builders and it is unnecessary, therefore, to go to the vast heights imperative if an office skyscraper is to prove profitable.

In contrast to the relatively short-lived factory, office building or other commercial structure, the great bulk of our public buildings are designed to serve at least a generation and sometimes a century or more. Permanence, therefore, with a wide margin for internal adjustments and possibly external additions, is essential.

* * *

The Picture Changes

BEFORE the war, the problem of constructing a public building was simple. Exterior was certain to be either of massive stone or brick. Rooms were large but not necessarily airy. Lighting was primitive. Ceilings were high. Total height seldom went beyond three or four stories with the exception of an occasional tower which was purely ornamental. But while certainly solid and resembling the native rock itself in permanence, such buildings were by no means comfortable during the vagaries of Canadian summers or winters. Neither were they convenient nor economical.

For special facilities such as the storing of records, the housing of valuable libraries, for the accommodation of still larger audiences via the modern microphone, they were totally inadequate. Long obsolete, they are only waiting a period of general prosperity sufficient to finance their replacement.

* * *

Beauty and Efficiency

BUT beautiful buildings need not be uncomfortable and inconvenient. Beauty is closely associated with simplicity, just as the latter is definitely linked with usefulness. Moreover, modern science has permitted development undreamed of a few years ago in the construction world. With literally hundreds of materials now at his disposal, in place of mere stone, brick and wood of a generation ago, the designer of tomorrow's public buildings should have no difficulty in meeting the old test of beauty.

At the same time, he can give occupants comfort and general convenience impossible where only a limited range of products were available.

Due to the innate conservatism of man and the necessity of providing structures for long use, these public buildings, particularly churches and colleges, need not vary so much in outward appearance from their predecessors. Following the really amazing development in commercial buildings and particularly factories, the average man may expect, though he would probably not welcome at first, something ultra-modern and something that, perhaps, might not live. But while possible, this need not be done.

* * *

Wealth of Materials

THERE is a wealth of facing material for the outside walls in the type of construction offered tomorrow's builders. Not only this, but there is a variety of colors; concrete, brick and stone now coming in several hues. Glass is an important newcomer. For trimming there are nickel silver, stainless steel or copper.

Massive doors, of course, offer unusual facilities for something out of the ordinary in metal. Here often white nickel silver is employed in sheet or cast bas-reliefs. It is often combined in striking harmony of color with other alloys such as red brass, yellow brass and copper.

With pliable fibre board forms, the new monolithic concrete can be poured in various shapes. Difficult arches are made simple just as round corners are routine. Building hitherto considered in the most expensive class is now made relatively cheap for the modest small town church or school.

For many years, due to the comparative hardness of Canadian stone, there was a fairly universal opinion among architects that it was necessary to import materials. Now, with development of new cutting machinery and the ever-growing illustration of new buildings faced entirely with Canadian stone, that opinion has had to be revised.

But here again there has been a modern development with light slabs of stone, cheaply and easily handled, given the preference over the old-time solid blocks of masonry.

* * *

Interior Advances

AND inside these coming buildings, what an array of improvements is possible!

Within the last 50 years many fine public buildings were erected in Canada and particularly throughout the West. Provinces vied with each other in the construction of their parliamentary structures. Really magnificent outward structures were the result. Costs, of course, were well nigh prohibitive, but otherwise the seats of government in Manitoba, Saskatchewan and Alberta, outwardly at least, left very little to be desired.

But within 10 years the owners of these still magnificent new buildings were seeking additional office space in the adjacent streets. The designers apparently had overlooked the possibilities of expansion and of course they had not the materials available to give even a semblance of modern convenience and comfort.

* * *

Numerous Services

IN THE public buildings now possible, full provision will be made for a life of at least 50 years and architectural beauty will be combined with practicability in regard to layout and future additions.

As well as the meagre water, electric gas and telephone services which served the buildings of a few years ago, there will have to be ample provision for the much greater uses of all four services at the present time and many new ones.

Compressed air for opening and closing elevator doors, for operating ejectors in plumbing equipment, window cleaners, sand blasts and other conveniences will have to be supplied. There will be refrigeration and cleaning equipment, probably centrally located in the basement but available on every floor.

Where one electrical outlet appeared before there will be probably a dozen in the new building, and the same in only slightly more moderate proportions will apply to telephones.

Certainly no modern building, especially where the public will congregate, would be complete without ample provision for air-conditioning. Radio must also be considered.

Special facilities for lecture halls, legislative assemblies, churches, etc., now call for large scale acoustic treatment. There are many beautiful churches, halls and court buildings in Canada today, excellent from an architectural standpoint, but in which it is difficult to hear a speaker. Special interior installation of insulating materials now cover such situations.

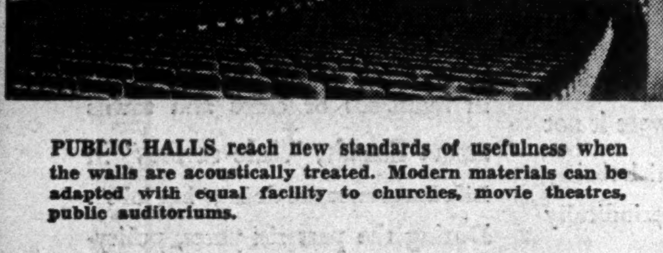
* * *

The New Era

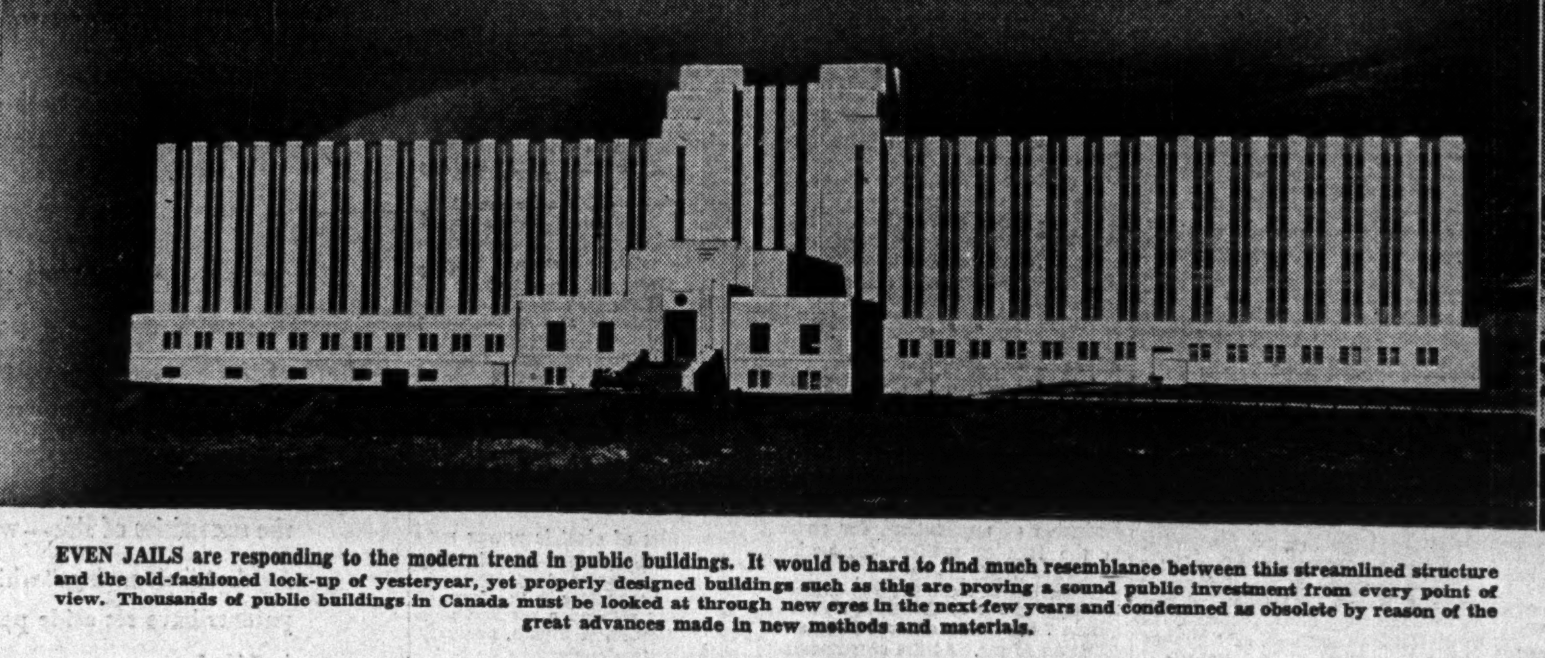
INVESTORS have long been warned to investigate before putting their money into some new venture. The same warning might well be heeded by those entrusted with a new construction at the present time. Due to the comparative slackness of building generally there are few examples of really modern structures of the church, school, college or city hall class in Canada at the present time. Because of this lack there may be a tendency in certain quarters to conclude that there has been relatively little advance in such type of construction and new edifices may be based too much on the old designs.

But during and since the depression science has moved steadily forward, offering as a result, new materials, new devices, new conveniences, and new methods.

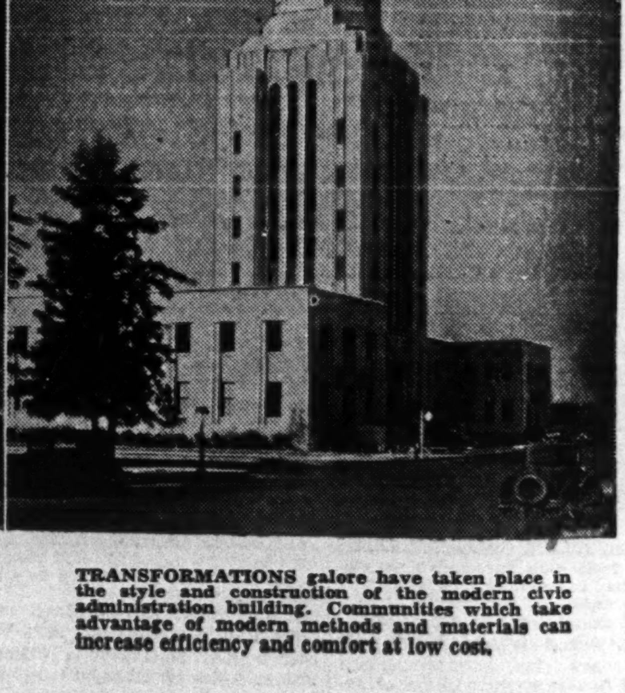
Those responsible for the buildings of tomorrow must make certain that their structures belong to that era which is just beginning.



PUBLIC HALLS reach new standards of usefulness when the walls are acoustically treated. Modern materials can be adapted with equal facility to churches, movie theatres, public auditoriums.



EVEN JAILS are responding to the modern trend in public buildings. It would be hard to find much resemblance between this streamlined structure and the old-fashioned lock-up of yesteryear, yet properly designed buildings such as this are proving a sound public investment from every point of view. Thousands of public buildings in Canada must be looked at through new eyes in the next few years and condemned as obsolete by reason of the great advances made in new methods and materials.



TRANSFORMATIONS galore have taken place in the style and construction of the modern civic administration building. Communities which take advantage of modern methods and materials can increase efficiency and comfort at low cost.

MODERNIZATION is a major factor in the forward march of Canadian business. The following institutions and firms have made possible this constructive series of articles to indicate in practical fashion the amazing opportunities for good business that lie in a programme of rehabilitation for Canadian buildings, Canadian trade and Canadian industry.

BELL TELEPHONE COMPANY OF CANADA
"Continuous improvement in telephone service has made Canadians the world's greatest users."

●

CANADA CEMENT COMPANY LIMITED
"Modernize With Cement"

●

CANADIAN AUTOMOTIVE CHAMBER OF COMMERCE Comprising
Chrysler Corporation of Canada Limited
Dodge Brothers (Canada) Limited
General Motors of Canada Limited
General Motors Products of Canada Limited
Hudson Motors of Canada Limited
International Harvester Company of Canada Limited
The Studebaker Corporation of Canada Limited

CANADIAN AIRWAYS LIMITED
Radio — Transport — Survey
Air bases throughout Canada

●

CANADIAN INGERSOLL-RAND COMPANY LIMITED
Compressors — Rock Drills — Hoists
Crushers — Pneumatic Tools
"Compressed Air Performs Many Essential Duties in Modern Public Buildings"

●

CANADIAN INDUSTRIES LIMITED
"Cellophane" Division
"Cellophane" the modern packaging medium

●

THE T. EATON COMPANY LIMITED
"It pays to shop at Eaton's"

●

INTERNATIONAL FIBRE BOARD LIMITED
Montreal Ottawa Toronto
Ten-Test Insulating Wall Board
"Insulates, Decorates, Quiets Noise"

INTERNATIONAL NICKEL COMPANY OF CANADA LIMITED
Nickel — Inconel — Monel Metal

●

J. J. GIBBONS LIMITED
Advertising Agents
Montreal, Toronto, Winnipeg, Regina, Calgary, Vancouver
"Gibbons knows Canada"

●

MASSEY-HARRIS CO. LTD.
"Builders of Good Farm Implements"

●

NATIONAL CASH REGISTER COMPANY OF CANADA LIMITED
National Cash Registers, Accounting Machines, Check-writing and Signing Machines and Correct Posture Chairs.

NATIONAL STEEL CAR CORPORATION LIMITED
Hamilton — Montreal
"Specialists in Transportation Equipment"

●

QUEENSTON QUARRIES LIMITED
"Building for the Ages"

●

THE ROBERT SIMPSON COMPANY LIMITED
"You'll enjoy shopping at Simpson's"

●

UNITED STEEL CORPORATION
Modern Power Transmission Machinery
Dependable Conveying and Elevating Equipment

●

ANGLIN NORCROSS CORPORATION LIMITED
Montreal Toronto
"Building Construction"

New Concrete At Hand When Builders Ask

Many Special Types and Colors Only Await Demand

NEW DEVELOPMENTS

In the last few years there have been many new developments in the use of concrete construction. Particularly is this true of the monolithic type. But, The Financial Post is informed, because of little general building activity and particularly of large public buildings few examples have been seen by the general public.

Boom in West

Impetus in the new construction has come from the Pacific coast of United States. There, a much larger development in new building has taken place. New churches, colleges, schools, public markets and similar structures have been erected, and in this building concrete has played a very large part. But that such new construction is not limited to the warm climate of California is indicated by the fact that the new U. S. federal building at Fairbanks, Alaska, is made of concrete.

For fine work, that is, where the building is to be curved or where there are arches, a form made of pressed board is used, and for still finer work such as gargoyles, a gelatine mold. It is possible now, so say cement engineers, to produce statuary from concrete. For such, fine concrete is cast in blocks and the figure chipped out by a sculptor as with natural stone.

Then again with a mold on which slats are fastened to the inside in the form of rectangles and left until the concrete hardens and shrinks away from them, a building can be given the appearance of stone block construction but at much lower cost.

Ready With New Plans

Generally speaking, manufacturers of modern concrete claim they are ready to put up radically new designs in building with their material and employ many new methods in such construction just as soon as the demand arises.

There have been, for instance, new developments which include much greater speed in hardening. This is of considerable advantage in those public buildings where there is a vast movement of people, such as theatres, stations, ferry entrances, approaches, etc. Floors can be laid and within a few hours are open to the general public. Such quick hardening is also a factor in northern latitudes where frost might interfere with the process.

Lighter Concrete Too

Greater heights are now also possible as the result of a new type of concrete with a special aggregate. The latter is the technical name for the gravel or other non-porous hard material incorporated with the cement. The use of this aggregate cuts down the weight of the finished concrete by as much as 40%, and it should prove a very valuable material for erecting light buildings which will be practically self-insulated.

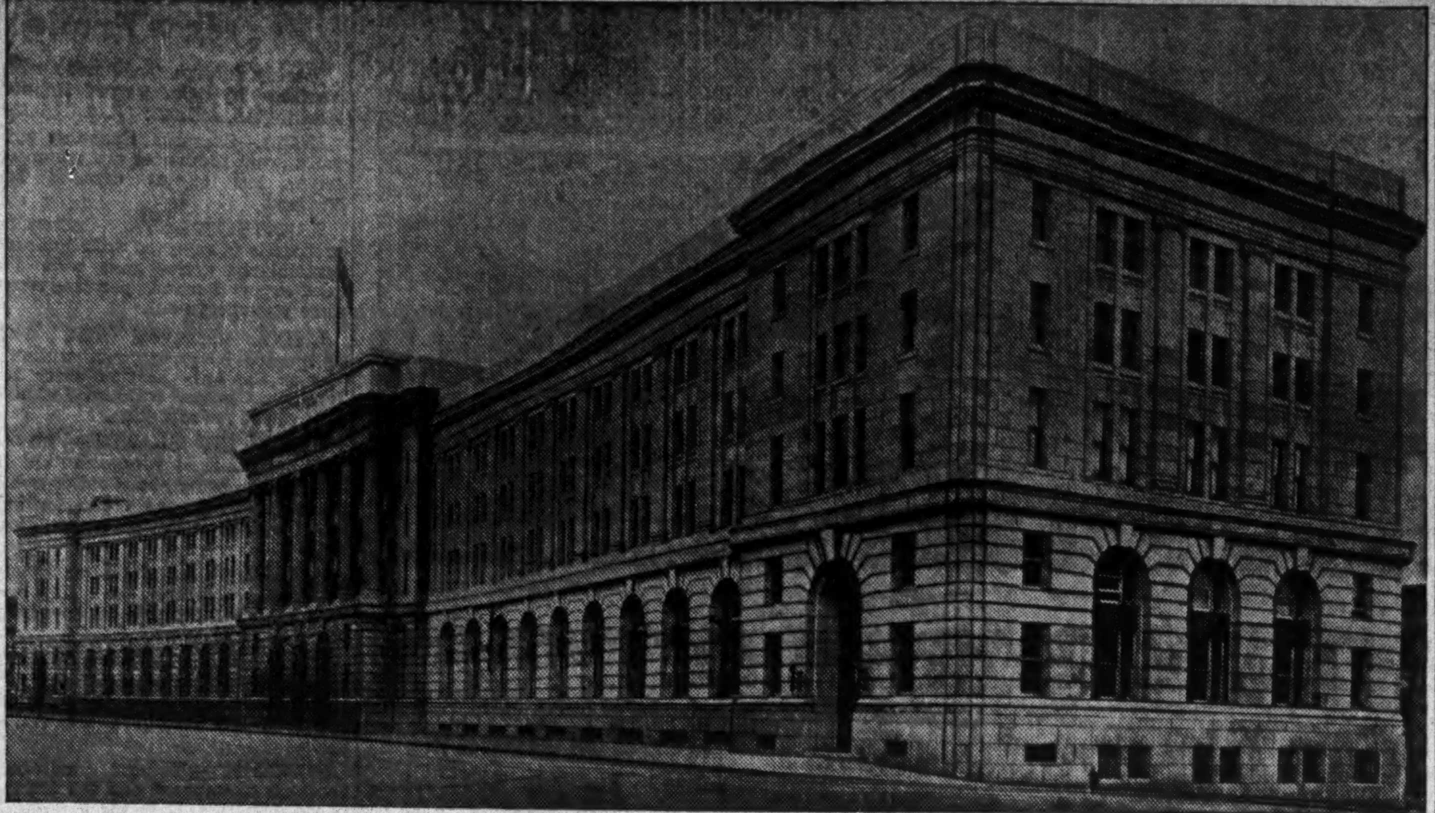
Another fairly recent development is the cutting down of the water content. Ten years ago water was used lavishly and freshly made concrete resembled a muddy puddle. Now as little as possible is used, for it is considered it will dilute much of the cement binder.

Brilliant Coloring Available

Particularly from the standpoint of those public buildings such as churches and theatres, color is an interesting and new development. At first considerable difficulty was experienced in getting bright hues that would wear and continue in brightness. For cheap floors, that is recreation rooms in basements of churches, main floors of restaurants, theatres, etc., pigment as used in ordinary paint is mixed with the concrete and the whole thing hardened together. This does not result in a very bright color and is confined to 2 or 3 shades. But it is cheap, probably adding not more than 10% to the cost of ordinary concrete

However, in certain buildings such as the ultra-modern public building, theatres, and also in churches, especially in Quebec, a wider variety is wanted. To meet this demand there is now manufactured a special colored aggregate. For some very special purposes such as call for difficult blues and pinks, highly colored volcanic aggregates have been imported from Italy.

Naturally, of course, concrete made from such material is expensive but expense is not always a factor especially for interior finishing of churches where only a small amount would be used in any case and where the interior finisher would be competing with other expensive materials. Very little of the finished colored concrete will be necessary in any case. Many beautiful blues are now available, as are also greens. Reds, of course, have always been easy to incorporate from ordinary pigment.



STRESS CANADIAN BUILDING MATERIALS

The new federal public buildings now under construction or recently completed all across Canada have invariably called for the largest possible content of Canadian stone, Canadian steel and other domestic building products. The recently completed Customs Building in Toronto, shown above, is a typical example. This structure is faced with Queenston limestone.

Can. Cement Sales for 1936 Show Promise

Increase in Private Building Features Returns This Year

POSITION STRONGER

From Our Own Correspondent

MONTREAL. — Sales of Canada Cement Co. for the first half of the current fiscal year are said to be better than a year ago, while profits also have shown an improvement.

Public building is still of limited proportions, but there has been a marked gain in private building, which accounts for a considerably larger percentage of the company's sales than was the case in 1935.

The heaviest season of the year is still before the company. From December to May last cement production in Canada totalled 870,000 bbls., a gain of over 50% compared with the same period a year ago. If this trend continues, the outlook for the year appears promising in view of the fact that Canada Cement handles about 80% of all the cement business in the Domiion.

Effect Big Economies

In the last 4 or 5 years the management have spent large sums of money in modernizing plant facilities and, in some cases, converting plants from the dry to the wet process. Savings in manufacturing costs have been very substantial, with the result that a much smaller volume of business is needed to cover dividends on the preferred stock than would have been the case in the pre-depression days.

On the basis of performance in the last 3 years, it has been estimated that Canada Cement can earn full interest charges, depreciation of $1 million and the dividend on the preferred with 5½ million bbls. of business.

May Show $5 a Share

In the last fiscal year it is estimated the company handled between 2¾ and 3 million bbls. of cement on which the operating profit was slightly better than $2 millions. After taking into consideration income from investments and providing for senior charges, including $1 million of depreciation, there remained earnings of 18 cents a share on the preferred as against dividend requirements of $6.50 a share.

What the company will be able to show on the preferred stock this year depends on whether the ratio of increase in the past few months is maintained.

Arrears of dividends on the preferred stock last November totalled $22.75 a share, while at the close of the past year they had increased to $26 a share.

Would Help Refunding

There does not appear to be an immediate prospect of a resumption of dividends, but in the event of the company being able to show substantially larger earnings this year, the way would be prepared for a refunding operation of the bonded debt with a view to effecting savings in interest charges.

It has been reported for several months that when earnings start moving upward, steps will be taken to refund. At present there are just over $17 millions of bonds outstanding, of which the company holds $371,000 in the treasury. These bonds carry a coupon of 5½% and are callable at 104.

Change in Executive

At the last meeting of the board F. B. Kilbourn was elected vice-president in succession to the late H. L. Doble. Mr. Kilbourn, who has been a director of the company since 1931, retains his position as general superintendent. In addition to Mr. Kilbourn's appointment, the board named George A. Russell, formerly comptroller, to the position of secretary-treasurer, a position also held by the late Mr. Doble.

Deliver More Crude

Crude oil deliveries from the Turner Valley to the refineries in Calgary during the first half of June were larger than for any full month of 1936. The total for the fortnight was 79,480 barrels.

Canadian Building Stone Said Superior to Imported

With the development of special tools and technique for handling the relatively hard Canadian stone, the use of this material has increased by leaps and bounds in the last ten years.

"Besides affording a great deal of employment and putting much money in local circulation," states the department of mines at Ottawa, "the industry engaged in the making of the native stone makes an important contribution toward imparting a distinctiveness in Canadian character to the cities and towns in the Dominion.

"The principal quarries from which limestone for building purposes is obtained are located in 3 widely separated localities — St. Marc, 50 miles east of Quebec City; near Queenston in the Niagara Peninsula of Ontario; and at Garson, 30 miles northeast of Winnipeg.

Adds Local Color

"The Queenston stone is a beautiful silver-grey. The St. Marc limestone is also grey. The Garson quarries produce the mottled Tyndall limestone of which there are 2 varieties—one having a grey base, mottled with grey-brown, the other a buff base with buff-brown mottlings.

"All the Canadian stones are used for interiors as well as exteriors of buildings—particularly the Tyndall stone which, on account of its unique and handsome mottling, is commonly used as a decorative interior stone; a prominent example of its use for this purpose being the interior of the Houses of Parliament at Ottawa.

Superior to Imported

"A very necessary quality in a building stone for exterior work is ability to resist the action of the weather and other agencies which cause decay of stone. Researches by the Mines Branch Department of Mines, Ottawa, and examination of structures erected many years ago, demonstrate that from the limestone deposits within the Dominion building stones can be produced which are superior in strength and durability to any limestone imported into the country."

Recently the old quarries near Longford Mills, Ontario, were reopened. It was from the upper layers of these quarries that came the very hard limestone formerly used in basement construction before reinforced concrete. Now, however, the workings are below this layer and a very fine grained limestone known as "Rama Stone" is produced. It was this stone which was used to face the new head office of the Imperial Bank in Toronto.

No Cheese Bonus From Government

Simply $100,000 Credit for Export Sales Guaranteed

The Ontario government is not going to bonus the cheese industry to the extent of $100,000, The Financial Post has been informed, although a story to this effect has been circulated. Apparently there was some confusion with the late million dollar bonus scheme of the federal authorities over a year ago.

What is being given is simply a guarantee of credit to the Cheese Producers Association which has been purchasing cheese and shipping it on consignment to Great Britain. Without such a line of credit, it is explained, the producers would have been forced to wait weeks if not months for their returns.

Now the association can buy the cheese on the regular boards, and make practically full payment immediately, the government guaranteeing the account up to $100,000. Last year, it is stated, the guarantee was only up to $20,000, but bigger sales and prospects this season apparently have resulted in the line being extended.

Similar guarantees for varying but substantial amounts have been made previously with tobacco, apples and other export agricultural products.

Bureau Makes Break-down Of the Tourists' Dollar

Where do tourists' dollars go?

Different areas and groups have their own ideas, but this is the way it looks to the Detroit Convention and Tourist Bureau, which has made its own break-down of visitors spending money.

Major items are the travel outfit itself — clothes, equipment, etc., — which take 26 cents out of every travel dollar. Then restaurants, 21 cents, and hotels and tourist homes, 17 cents. Since two-thirds of the travellers drive their own cars, 12 cents goes for gas and oil, with an additional 9 cents for theatres and some other form of amusement. Special transportation takes 7 cents, and taxis and buses, 3 cents. Candy and knickknacks use up the remaining 5 cents, says Business Week.

What's What In Advertising

By TORY FLEMING
Editor, Canadian Advertising

The political situation in Quebec seems to be having its repercussions in the newspaper field. Le Journal, Conservative French weekly in Quebec City, started publication as a morning daily on July 20, the announcement stating that the paper would support Maurice Duplessis, leader of the anti-Taschereau forces. Reports have it also that L'Action Catholique, independent afternoon daily in the same city, will come out with a morning edition. The move is expected as soon as the paper gets settled in its newer and larger quarters. Still another daily in the Quebec capital is rumored to be ceasing publication altogether in the near future.

The semi-annual review number of Canadian Machinery, published this month, coincides with the 75th anniversary of one of Canada's oldest and most famous firms, John Bertram & Sons Co. Dundas, Ont. The epic of Bertram's growth from a pioneer industry to the position of the largest supplier of machine tools to the Dominion's manufacturing industries is traced in 20 pages in the publication. One article deals with the history of the company and the personalities behind it and the other with the Bertram plant as it is today.

James Ferguson has been appointed assistant advertising manager of the Winnipeg Free Press. He has been connected with the advertising department of the paper for the past 14 years and was for a time contact man in the national field.

A campaign for Di-so-ma pain tablets will break in Montreal dailies next week and in Toronto at a later date. They are a new addition to the line of Sonia Products Ltd., Montreal. Advertising is placed by Ronalds Advertising Agency.

Sunlight Soap, product of Lever Bros. Ltd. is making a re-appearance in the national magazines after a long absence. Current copy is appearing in half-page and 240-line space. J. J. Gibbons Ltd. is placing the business.

Jacobs Manufacturing Co., Hartford, Conn., are resuming advertising in Canadian industrial papers with full pages featuring their line of grinding chucks.

The Hinze Ambrosia Co., New York City, have O. K.'d a schedule to include 20 of the larger metropolitan dailies across Canada, along with rotogravure and trade papers. The copy covers cleanser, cream and tightener. The account is handled in Canada by the Benison Co. Ltd.

More Listening In

Government radio receiving licenses numbered 862,109 in the past fiscal year, which was more than double the number issued 6 years ago and an increase of nearly 50,000 over the fiscal year ended March, 1935.

Out
goes
Heat

IN COMES THE COOL CLEAN COMFORT OF FRIGIDAIRE AIR CONDITIONING

● NOW, Frigidaire and General Motors have made air conditioning economical, as well as practical and dependable!

In your living room, bedroom, office — you can have the cool, clean comfort of a Frigidaire Air Conditioner for only a few dollars down and the balance on monthly terms. This unit is completely self-contained and easily installed. It cleans, cools, humidifies and gently circulates the air.

For stores, and all other commercial uses, there is Frigidaire Air Conditioning Equipment that does away with the necessity of extensive building alterations, and that is extremely flexible in operation and installation . . . "made to order" to your individual needs! Telephone or write today for full details to Frigidaire Corporation, 35 Fraser Avenue, Toronto.

FRIGIDAIRE AIR CONDITIONING
A PRODUCT OF GENERAL MOTORS

Men of Algoma

The Steel they produce is Tested! Tested! Tested!

● JOE HAYMAN is one of these "Men of Algoma". Above, he is taking a sample of steel from an open hearth furnace for the carbon test. In the Open Hearth Department where Joe has worked for twenty-five years they are testing, testing, testing, to get the right analysis for every heat of steel they produce.

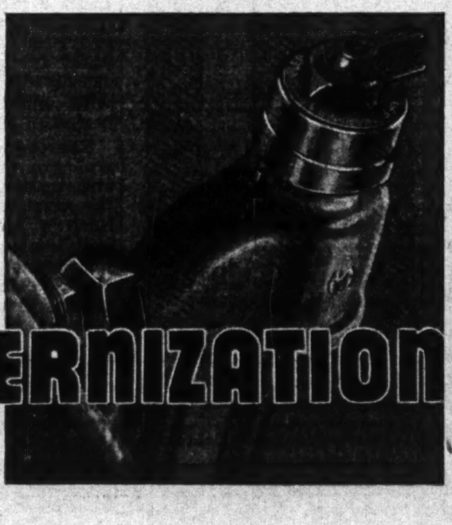
The thoroughness and skill of the "Men of Algoma" give added strength and durability to the many products and utilities built with Algoma carbon and alloy steels. Automobiles, buildings, bridges, railroad rails and equipment, household utilities, machinery, mining equipment, are a few of these in use by millions of Canadians every day.

Algoma Steel Corporation Limited—Toronto, Sault Ste. Marie, Montreal
B.C. Agents: F. Drexel Co., Vancouver

CHARLIE WHITTLE—*in the Open Hearth Department since 1911—times a sample of steel in the test mould before it is tested in the carbometer. Two tests are taken just before each heat is tapped and a total of fifteen or twenty determinations may be made in the production of one heat of open hearth steel.*

ALGOMA STEEL

ROOFING ●
Built-up Roofs, Asphalt Shingles, Etc.
INSULATION ●
INSUL-BOARD...moisture proof insulating board
FLOORING ●
Colored Tile Flooring . . . Industrial Flooring
BUILDING PRODUCTS LIMITED
MONTREAL TORONTO HAMILTON
WINNIPEG ST. JOHN, N.B. HALIFAX



MODERNIZATION for ROOM.. ZONE... BUILDING

The Modutrol System Meets Every Control Need

Whether you require individual room control, zone control, or control for entire building, you can do a better job with greater economy when you use the Minneapolis-Honeywell Modutrol System. In old buildings or new, large or small — whatever the requirements may be, specify the Modutrol System. The Minneapolis-Honeywell Engineer in or near your city can quickly show you why. Call him in for consultation. There is no obligation. Minneapolis-Honeywell Regulator Company, Limited, allied with The Brown Instrument Co. Branches at Toronto, Montreal and Calgary.

●

MINNEAPOLIS-HONEYWELL
Control Systems
BROWN INSTRUMENTS FOR INDICATING, RECORDING AND CONTROLLING

In The Construction World

Public Buildings

AFTER a comparatively dull period in construction, such as that which occurred during the recent depression, the impression gains ground that there has been little advance made in building materials and designs. This is a factor that must be guarded against in the next year or so and particularly in the field of public buildings.

Science goes on developing new methods, new conveniences and new products whether the economic world is ready or not to receive them. Indeed it is during slack times that the inventors are hardest at work. Competition makes private industry usually well aware of this fact. On this account there is little fear that the residences, stores and factories now being erected do not represent the most modern development. But in those larger and not quite so utilitarian structures such as churches, colleges, museums, schools and similar buildings there is not the same vital urge to keep abreast of the times.

* * *

Modernization Vital

IN MOST respects, however, the necessity for the highest degree of modernization is even more imperative here than in private construction. After all a house, factory or store represents a comparatively small investment. As such it can and is changed readily to meet changing conditions or to incorporate later advances.

A public building, on the other hand, is a much larger affair and one usually destined to serve for half a century or more. Once erected, major alterations are difficult and unusually expensive. A thorough investigation of the new structural methods, the new building materials, new methods of insulation, air-conditioning, lighting and heating should precede any approval of final plans. It is feared that this point has been overlooked in some of the recent federal construction in Canada.

* * *

Plant Expansion

SELDOM does the staid Dominion Bureau of Statistics venture into the realm of prophecy. But in the following recent summary of the Canadian construction industry something close to a prediction is made:

> "During a time of depression the existing plant and equipment, generally speaking, are more than sufficient to meet current demands for industrial products. Once the fixed capital is again operated at a high percentage of capacity corresponding to the state of affairs in the preceding period of maximum prosperity, the construction industry immediately acquires additional momentum. A small number of industries are now producing above the level reached in the last period of prosperity culminating in 1929. As that stage is reached by an increasing number of industries, the rebound in building activity will become more pronounced."

But a brief study of monthly building figures over the past year would indicate that such a prediction is coming closer and closer to an established fact. Certainly during the depression private industries found that the old plant would grind along a few more years beyond its alloted span of depreciation. It was not the most economical way of conducting business, it is true, but during the uncertain future which faced industry in 1931, 1932 and 1933 it was a courageous executive, indeed, who would give the order to start building.

Now that sales are beginning to indicate a permanently rising trend, however, more companies are starting to look at their over-growing depreciation accounts and compare these with their present overcrowded and often uneconomical plants.

As recovery continues that balance is going to be restored.

* * *

A Wide Open Field

THE annual pilgrimage to the average summer cottage reveals a construction field, almost startling in its potentialities. Fresh from even the modest comforts of a 20th century city, the average person must marvel at the dearth of conveniences he discovers in his new location. Surely for $50 to $250 per month and a growing demand there is opportunity here for the imaginative builder to outstrip his fellows. Once started in any district this idea of a modern and convenient cottage would simply have to grow. The normal city family is usually prepared for plain quarters when it takes itself to the country but it does not object when these are also comfortable.

U. K. Building Far Outstrips Other Industry

Special Societies Finance Over a Million New Homes

MORTGAGED TO 90%

Mr. Mallison is an honor graduate in economics of the University of London, a fairly frequent visitor to Canada and has a close work-a-day connection with building activities in Great Britain.

By JOHN W. MALLISON

LONDON. — British recovery in the main has been confined so far to the home market. In particular, the building industry has shown the greatest expansion, and its amazing activity during the past three years has excited the interest of industrial observers all over the world.

The extent of the industry's expansion can readily be seen from the "Economist" Business activity index:

British Building and Business
(1924 = 100)

	Business activity	Building activity
1930	106½	144½
1931	98½	136½
1932	96½	126
1933	101	162
1934	109½	194
1935	113½	221

These figures are monthly averages, and it will be seen that whereas business has increased by approximately 20% from its depression low, building activity shows a gain of about 80%. If actual monthly figures are taken the range is greater still. For the first quarter of 1936, the indices for business activity and building activity are about 116 and 236 respectively. Thus, neither the one nor the other shows any immediate signs of abatement, though there are good reasons for believing that the building boom cannot continue indefinitely.

Mainly Residential

But it the industrial recovery has been of a specialist character, i.e. of the home market, the building boom has been specialised to an even greater extent. It has been an expansion predominantly in residential building, an expansion sponsored almost entirely by private enterprise, and financed overwhelmingly by private capital.

In 1928 the estimated cost of buildings for which plans were approved by 146 Local Authorities (excluding the L.C.C.) averaged £5,620,000 per month for all buildings, and £3,344,000 for dwelling houses. The figures improved slightly throughout 1929 and 1930 to £6,217,000 and £3,897,000 in the latter year, but the year of financial crisis saw a recession to £5,251,000 and £3,374,000.

Started in 1932

It was not until the second quarter of 1932 that the building of dwelling houses showed any improvement. For that quarter plans approved averaged £4,368,000, but other building did not improve commensurately. From that date house building made rapid strides, and by June, 1934, plans were passed for a total of £7,039,000, or more than double the average of 1928. Even at this date, however, the total for all plans was only £9,406,000, showing that non-residential building was only fractionally greater than in 1928.

When this is translated in "houses completed," the figures are as follows:

	Houses completed	Index (1930 = 100)
1930	161,699	100.
1931	194,944	120.5
1932	201,976	124.9
1933	218,313	135.
1934	313,428	193.8
1935	315,967	195.4

For 1934 and 1935, over 88% were erected by private enterprise. The magnitude of this enterprise can the more readily be appreciated when the output is contrasted with pre-war years. In 1905-09 the yearly average was 103,000, and for the quinquennium 1910-1914, a mere 61,000. During the Great War, house building was practically negligible, and it can be easily seen that in the 15 years preceding the Armistice a severe shortage of housing accommodation was accumulating. According to the Ministry of Health, since the Armistice more than 3 million houses have been built.

Cheap Money Helped

The question which most readily arises in the minds of overseas observers is "How has this building been financed?" And in answering the query it is not sufficient to point to the cheap rates of interest current during the last four years. It is important to show **how** capital has been directed to the industry, and what agencies have been responsible for its direction.

It is undoubtedly true that the era of "cheap money" promoted by Government and Bank of England action has been of great assistance to the development of dwelling house building, but it is also possible to show that the increase was beginning before the "cheap money" could have had its proper effect. Two articles in the "Economist" last November demonstrated the fact that the upward trend in house building commenced in the quarter preceding the advent of "cheap money," and that, since mortgage rates were the last to be affected, the true explanation of increased house building must be sought elsewhere. The suggestion was that lower prices for food, clothing, and other necessities, had released purchasing power which, when applied to housing, had set the "boom" in motion.

Real Income Improved

In other words, the lower money income of the Canadian farmer and the Australian grazier, due to the slump in agricultural prices, had meant an increase in the real income of the United Kingdom consumer. He was thus able to buy more house accommodation, and in this increased demand for houses, backed by greater purchasing power, lay the real genesis of the housing boom. The misfortune of the Overseas agriculturist proved the good fortune of the English consumer.

Financed by Building Societies

But there still remains the question "How was this excess purchasing power directed into the building of dwelling houses?" For it is not a simple matter to change over the small savings on food and clothing into additional purchases of houses; a penny saved on a loaf of bread is not readily transferred into a penny spent on bricks and mortar. There has to be an accumulation of pennies placed at the disposal of the person who is to build the house. Thus some form of institution which permits the accumulation of small saving and at the same time specializes in lending on mortgage, is required to make this purchasing power effective. In England the institution has been the Building Society.

Building Societies are a special branch of the Friendly Societies which spread during the 19th century, and had for their object the mutual assistance of members. Under the present form of Building Societies, members may take up shares, generally to a limited amount, or may make interest-bearing deposits withdrawable at notice. (Shares are also withdrawable at notice.) Originally, members could use such funds for house purchase as and when available, but nowadays investing members and borrowing members are distinct.

Mortgages up to 90%

House occupiers may take up mortgages with the societies for amounts ranging up to 90% of the valuation; these terms also apply to the purchase of new houses. How far the Building Societies have helped to finance house purchase may be seen from the estimate that in the last decade two-thirds of such purchases have been with the assistance of the societies. Moreover, in 10 years the total assets of the societies have increased fourfold, and the amounts advanced yearly on mortgage have similarly increased. The following figures give some indication of their growth:

Building Societies Advances
(000's omitted)

	Advanced on mtges. £	Bal. due on mtges. £	Total assets £
1925	49,822	145,857	169,196
1930	88,767	316,313	371,164
1932	82,142	388,377	469,334
1933	103,195	423,512	501,069
1934	124,558	476,205	555,590
1935	130,676	529,276	601,632

Million Houses Financed

Since the average mortgage outstanding is less than £500, it can be seen that together the societies are at the present time responsible for the finance of well over a million houses. Through them the ordinary man in the street has been able to acquire a home of his own, and to make use of the savings of more than 2 million small investors.

In view of the vast contribution which residential building has made to the British industrial recovery, there is some fear that if and when that building has run its course there will be a very serious setback to industry as a whole. For the first quarter of this year total building is up only 4% on a year ago, and this is due primarily to the excess of public buildings, factories and business premises. Indeed, the plans passed for house building showed a decrease of about a million pounds.

This decrease was confined to the Outer London area, the Eastern Counties and South Wales; the North and West continued to show expansion. With this evidence to hand it would be fair to assume that the type of building which has been so prosperous in the past few years has reached its peak, and henceforth will decline gradually. But this is not to say that building as a whole will decline, or even that house building will decline to any great extent. It is more likely to change its character.

Slum Clearance Next

There is still a very considerable shortage of cheap houses in Great Britain. To meet this are wanted dwellings that would rent for around 10 shilling per week or approximately $10 to $15 per month. Potential tenants for such are largely dwelling in slums in the great cities. In Glasgow alone, there are still 10,000 dwellings classified as unfit for human habitation; one area has 171 dwellings per acre as against a modern average normal of 10 to 20 dwellings per acre. That same area has a population density of 738 persons per acre, as against a modern normal of 50 to 100 persons.

READY-BUILTS MAKE BID

This month sees the launching of a big campaign by General Houses Inc., of Chicago, to popularize its prefabricated houses. Sales forces have been established in over 20 cities of the middle west. Houses come in about 200 different combinations, cost from $2,500 to $7,000 exclusive of lot and can be erected after arrival from the factory in about 14 days. The exterior of a typical house is shown.

Start Big Production Of Ready-Made Houses

Factory Built, Modern Residences Erected in 14 Days

Commercial production of prefabricated houses by General Houses Inc. of Chicago got under way this month. Shipment is being made to over 20 cities in the midwestern States.

Five to 7-roomed houses, air-conditioned, completely serviced to sewer, water main and electric or gas line, and furnished, are ready for occupancy just 2 weeks after the goods arrive from the factory.

Selling is usually done in cooperation with Sears, Roebuck & Co., Chicago merchandisers, which supplies complete furnishings.

Houses are available in a wide selection of sizes and prices. A choice is offered between standard and de luxe equipment. The houses are almost completely prefabricated and are in ultra-modern style of one-story height, usually with a flat roof.

The entire weight is carried on steel. Columns and beams of bearing steel are bolted to each other and to a concrete foundation to form a rigid support for walls, partitions, ceilings and roof. Roof is designed to carry loads of 40 pounds per sq. ft. All outside walls and interior partitions consist of a series of panels supported between the upright columns and steel frame.

Factory Built

Each panel is a complete factory-built unit consisting of a wood frame in which the insulation is suspended and to which the interior and exterior surfaces of the panel are glued under pressure. Panels are wedged securely between the supporting steel columns by steel fasteners or plates, but are bolted to each column.

The combined roof and ceiling consist of panels similar in construction to the wall panels but somewhat heavier.

The inside walls, partitions and ceilings are of one-quarter inch thick fir plywood sheets, which are an integral part of the panels used in building the house. Each plywood sheet consists of three layers of wood in which the grain of the centre layer is at right angles to the grain of the other two layers. Window frames are of steel and open outward. De luxe equipment includes air-conditioning, fireplace, and generally better bath fixtures. However, even the standard plan includes kitchen cabinets, water heater, oil-fired heater for a moderate climate, and oil storage tank.

One-Inch Walls

Although the outside walls are only one inch thick, the company claims that they are better insulated than those of the orthodox nine-inch construction. They are insulated with two air spaces, a sheet of aluminum and a sheet of building paper. On the outside is a layer of asbestos cement and inside three-ply wood panels.

Practically any of the 200 combinations of houses available can be financed under the U. S. federal housing scheme, which is similar to the Dominion Housing Act, except that the purchase is amortized at 15 years instead of 20, as provided here.

The company points out that it is rather difficult to quote finished prices as these houses are being sold through a dealer organization and much will depend on his profit as well as the cost of local labor at the point of assembling. General speaking, however, prices, exclusive of lots, will range from $2,500 for a standard 5-roomed house to $7,000 for one of the larger de luxe affairs.

Low Cost Financing

Under the federal housing administration plan of financing, where the owner has a clear title to his lot and has made a 10% payment or more on the cost of the house carrying costs are low. For instance, with a house costing $3.500 the owner is required to have $350 in cash and to pay the remainder at the rate of $27.35 a month, plus insurance and taxes, over a period of 15 years. Cost of furnishings is estimated at about $1,800 for a 5-roomed house. This can also be bought on a budget plan with monthly payments over a period of 18 to 24 months.

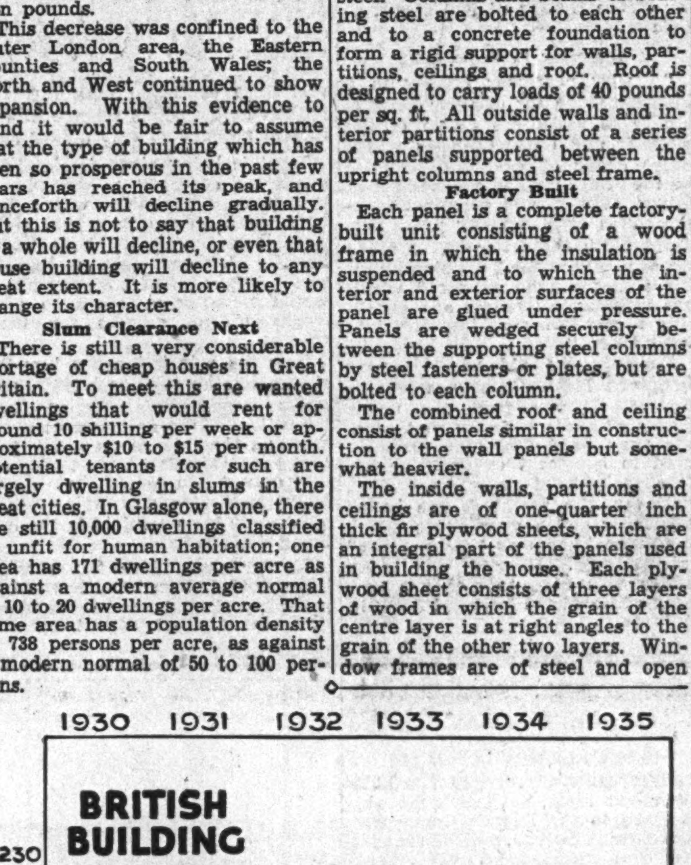
The company reports that in several municipalities building codes and restrictions would not permit the erection of this type of house. Such is the case in Toronto, where building by-laws call for a solid 9-inch masonry wall up to the first story. General Houses, however, reports that in recent months it has been able to convince a very large number of municipalities in the United States that its houses are solid structurally and, of course, more than sufficiently fireproof to meet the average restrictions of this kind.

Road is Ready In 10 Minutes

New asphalt set too quickly for ordinary road-making machinery in Ohio. So engineers got busy and devised a quicker way of making highways. The result is a road open to traffic within 10 minutes of laying. From 2 to 4 miles of 12-ft. pavement per day is laid.

Loads of gravel or crushed stone, sand and asphalt are dumped ahead of a new machine which mixes the materials as it comes along and leaves behind a level road ready for the heavy rollers. Only a few minutes behind these is the regular traffic which can be diverted around the road builders when the highway is built one strip at a time.

Under the old system the materials were usually mixed at some central spot and carried in truck loads to the job.



Foreign Trade

Weekly foreign trade news summarized by Commerce Reports, Washington, follows:

INDIA.—Seasonal slackness prevails; local industries are generally active but export demand has declined.

BRITISH MALAYA.—Increasing prosperity is reported with building particularly active and with the good export demand operating to reduce unemployment.

CHINA.—Shanghai has been designated by government authorities as the only port of entry for foreign cotton and cottonseed to provide effective inspection.

PHILIPPINE ISLANDS.—The recent government reorganization is expected to bring about better operating efficiency; the copra market has steadied, with prices tending higher.

HAWAIIAN ISLANDS. — Retail business continues to improve gradually and community spending has expanded.

IRISH FREE STATE. — Business activity is well sustained, and the trade agreement with the United Kingdom has improved the cattle trade.

HUNGARY.—General conditions continue to improve and the industrial-production index is considerably higher than last year.

UNION OF SOUTH AFRICA.—The trading situation remains satisfactory and farmers are better off fiancially than for some time past; the situation in Southwest Africa has apparently become definitely stronger.

AUSTRALIAN business in June remained steady at about the May level, but elements of uncertainty are affecting the general trading situation and building construction.

NEW ZEALAND.—The strong movement toward recovery continues, with industrial production expanding widely and receipts from the sales tax increasing.

HAITI.—Dullness was accentuated during June by the seasonal decline in trade.

CHILE.—The business situation continued satisfactory during the first half of 1936, with indexes generally better than last year, except for a small decline in foodstuffs.

NETHERLAND INDIA.—The general level of export commodity prices moved downward slightly early in June but the position of native agriculture continues to improve.

ARGENTINA—Exports continued down, but the outlook is not unpromising despite the prolonged unseasonableness of weather conditions.

BRAZIL—Although drought continues to afflict northern areas, commercial conditions remain favorable in the central and southern States.

BOLIVIA—Uncertainty characterized the economic situation during June.

PERU—Practically all major economic indexes show an upward trend.

June Big Month In U.S. Construction

Up to the end of May construction in Canada had been lagging slightly behind the corresponding period in the previous year. But a spurt in June brought the accumulated total for the first 6 months of 1936 slightly up on 1935. This was a big month also in United States. In fact it was the biggest single month since May 1931 for home construction. Total of all kinds of building for the month was nearly 60% better than a year ago and 8% above May 1936.

In the first half of 1936, U.S. residential construction gained 61% over the same months of 1935; non-residential was up 89%; public works and utilities, 76%; while total awards of $1,237,731,000 was 78% ahead.

SHOP SUPPLIES
dies
pipe
bolts
gears
tools
chain
drills
babbit
gauges
hoists
reamers
washers
hammers
abrasives
machinery
metal saws
pipe tools
wood screws
auto supplies

Our Branches carry large stocks of supplies and equipment

THE CANADIAN
Fairbanks-Morse
COMPANY LIMITED
Branches throughout Canada

These VICKERS-KINNEAR DOORS are part of an installation recently erected in Quebec Harbour, comprising 67 Vickers-Kinnear Bi-Fold and 59 Vickers Vertical-Lift all-steel warehouse doors.

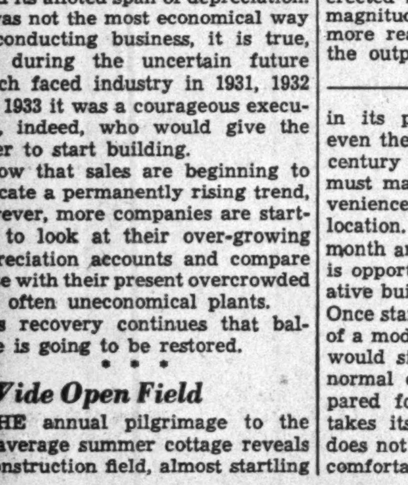
NOW MADE IN CANADA
BY
CANADIAN VICKERS LIMITED
Head Office: MONTREAL, P.Q.
VANCOUVER EDMONTON WINNIPEG
TORONTO NEW GLASGOW, N.S.

MEDUSA
WATERPROOFING POWDER
Made in Canada

is the outstanding waterproofing compound for any type of concrete work. This material is made in Canada under the formula and under the supervision of Medusa Portland Cement Co., of Cleveland, Ohio, manufacturers of the well-known Medusa white Portland cement and Medusa waterproofing paint.

It is distributed throughout Canada by reliable agents.

Quebec and Maritime agents for Gimco Rockwool Products — the newest type of insulation.



KEEPS CELLAR FLOORS DRY

LASALLE PRODUCTS LIMITED
MONTREAL
DISTRIBUTORS
J. F. Cameron Co. Ltd.
Paris, Ontario.
LaSalle Builders Supply Ltd.
Montreal, P.Q.

Modern Conditions Demand—the NEW Voice—Music Distribution System

VOICE MUSIC RADIO

Northern Electric specialists at our branches can assist you in the profitable modernizing of your buildings. For the following we suggest:

- *Schools, Hotels*—Music—Voice—Radio Distribution
- *Hospitals*—Music—Radio—Signal Systems
- *Apartments*—Radio Multiple Service
- *Restaurants*—Music—Radio Distribution
- *Railway Stations*—Voice Amplifiers
- *Offices*—Radio Receivers

'Ask for booklet at our nearest branch

Northern Electric
COMPANY LIMITED
A NATIONAL ELECTRICAL SERVICE
11-122

FIBREGUM
Stops Leaks and Saves Dollars

Cracked roofing, crumbling mortar joints, leaky skylights and flashing—all may be quickly and effectively waterproofed with Murray-Made Fibregum—the all-purpose, asbestos-fibre plastic cement. A drum of Fibregum in stock, ready for emergencies, is an excellent investment in roof conservation.

MURRAY MADE
MURRAY Protective Coatings for all surfaces

Alexander MURRAY & Company
LIMITED
MONTREAL, TORONTO, HALIFAX, SAINT JOHN, WINNIPEG, VANCOUVER
Affiliated with Dominion Tar & Chemical Co. Limited, Canada Creosoting Co. Limited — Fibre Conduits, Canada, Limited.

THE FINANCIAL POST

SECOND SECTION

Vol. XXX Member of Audit Bureau of Circulations PUBLICATION OFFICE: TORONTO, JULY 25, 1936 10c a Copy; $5.00 a Year No. 30

Legaré Firm To Reorganize Charges Laid

Three Directors Face Criminal Court at Quebec

WIPE OUT EQUITIES

Bankruptcy of P. T. Legaré Co., Quebec chain merchandising firm, has finally given rise to a plan of reorganization.

The reorganization plan has the backing of the bondholders' protective committee and of larger holders, and is, therefore, expected to gain approval. It would give bondholders $100 of new securities for each $100 of bonds, but would wipe out holders of preferred and common shares completely. The business would be carried on under the title, La Compagnie Legaré Ltée. (The Legaré Co. Ltd.)

Reorganization Plan

Bondholders are to meet July 31 at Montreal to consider the reorganization plan. It is predicated on an offer by Louis D. Hudon, Quebec, who has been managing the bankrupt Legaré firm in the interests of the trustee and of the bondholders.

Mr. Hudon's offer to purchase would wipe out shareholders entirely. The plan is to form a new company with this capitalization:

6% 25-yr. 1st mtge. bonds	$500,000
6% pref. shs., $25 par	$742,125
Common shs., no par value	10,000 shs.

Of these securities, $247,375 of bonds and all the preferred (29,685 shares) would be turned over to the trustee in bankruptcy, G. S. Currie. This would enable him to give in exchange for each $100 of present bonds, $25 of new bonds and $75 of new preferred stock.

The new 6% preferred stock would carry dividends cumulative only to the extent earned, and would have the right to elect 3 of 7 directors.

Raise New Money

Mr. Hudon proposes to buy $102,625 of the new bonds at 95% of face value, to provide new capital. Also, holders of present bonds would be given the right to purchase, within 21 days, $150,000 of the new bonds at 95. Bonds not bought by present bondholders would be taken up by creditors or by the group backing Mr. Hudon, so that there would be some $240,000 of new money put into the enterprise.

Common shares of the new company will be made available so that each buyer of $100 of new bonds would also get one common share. Otherwise the common stock will go to the group backing Mr. Hudon.

Course of Bankruptcy

After non-payment of interest on the first mortgage March 1, 1935, P. T. Legaré Co. was placed in bankruptcy in April, with Geo. S. Currie, of McDonald, Currie & Co., Montreal, as trustee. After extensive work, Mr. Currie was able, in September, 1935, to present an "approximate statement of affairs" as at April 4, 1935. It showed total liabilities of $3.8 millions and an apparent deficiency of assets of $362,506 to meet the claims.

The first mortgage bond issue of $989,500 was secured by fixed assets and partly by liquid assets. The Bank of Montreal loan for $784,674 was also partly secured. Otherwise, however, it was indicated that the actual deficiency of assets to meet liabilities would be greater than the nominal shortage in the approximate statement of affairs.

Founded in 1877

The P. T. Legaré firm was founded in 1877, was incorporated in 1921, and was financed publicly by sale of bonds and preferred shares by McLeod, Young, Weir & Co. in 1927 and 1928.

At the time of bankruptcy, the company was operating nearly 60 chain stores as well as numerous agencies in Quebec, eastern Ontario and western New Brunswick. Its sales were largely of home furnishings and appliances, farm implements, radios and so on. It owned equities in other firms including newspapers at Quebec and Three Rivers. About 90% of operations were in the Province of Quebec.

Directors are Charged

Three former directors of the company will stand trial at the next criminal assizes at Quebec on charges of conspiring to defraud. They are J. H. Fortier, former president; P. W. Fortier, former vice-president and sales manager; and P. C. Falardeau, a former director.

In Court of King's Bench at Quebec, Mr. Justice Laetare Roy acquitted Leo. L. Legaré, one of the directors, of similar charges. He committed P. W. Fortier for trial after about 2 weeks consideration. J. H. Fortier and P. C. Falardeau were committed at the preliminary hearing after they had offered no defense.

Halifax Boosts Cargo Movement

Receipts Reported for June Largest for Several Years

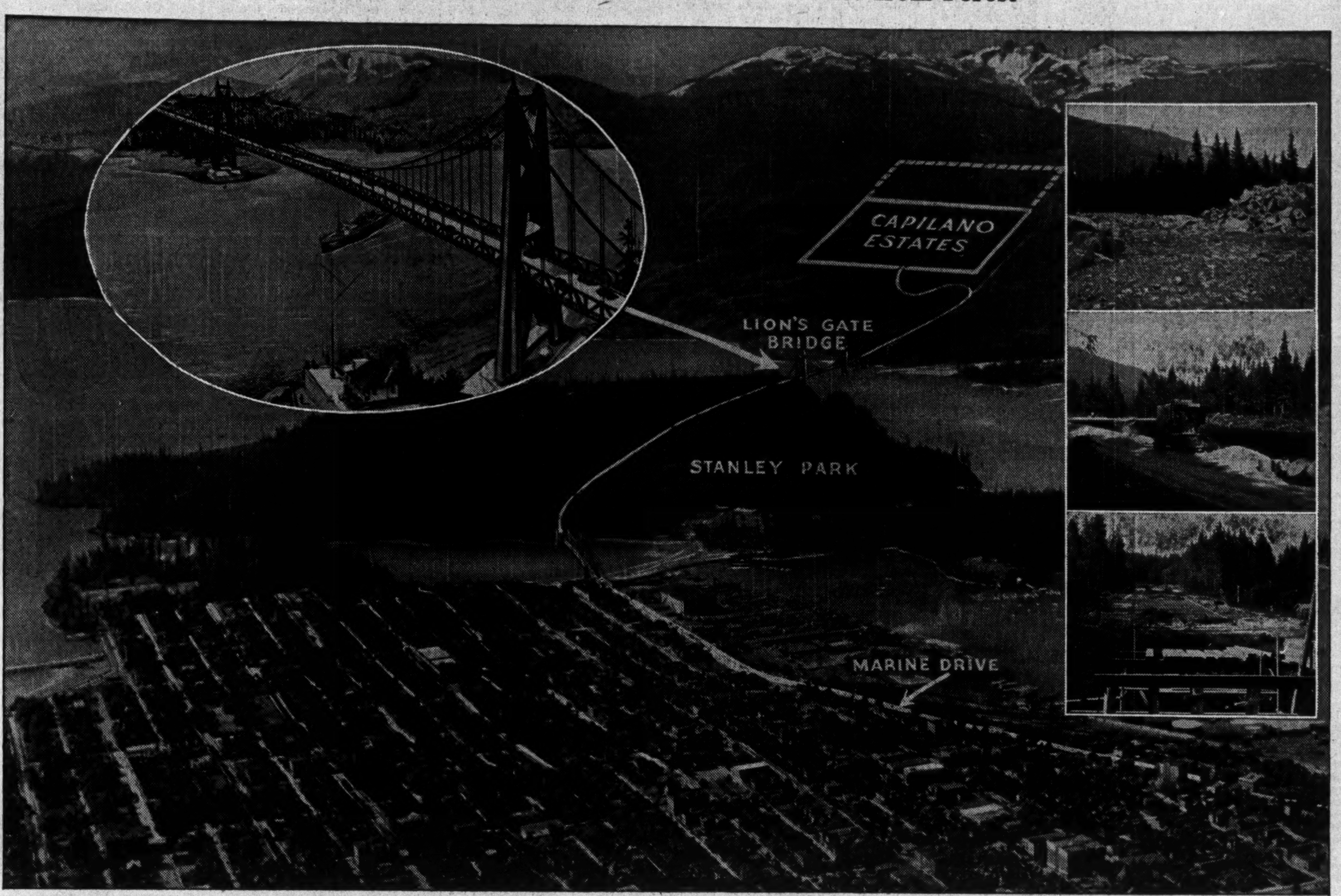
From Our Own correspondent

MONTREAL. — Total cargo inward at the port of Halifax during June was the largest reported for that month in several years, having amounted to 114,493 tons, as against 77,013 tons in June, 1935. Outward freight last month aggregated 33,147 tons, a gain of about 1,400 tons over the same month, but less than half of that reported in June, 1934.

Since the beginning of the year inward cargo tonnage at Halifax totalled 590,331 tons and outward cargo 533,832 tons. This is in contrast to an inward movement of 609,225 tons and outward shipments of 592,488 tons for the same period in 1935.

Britons Bridging the Pacific Gateway

Vancouver Scene of Remarkable Real Estate Development; Guinness Millions Wrest Residential Paradise from Forest



In this panorama of Vancouver, Stanley Park and the First Narrows entrance to the harbor, the artist has visualized completion of the road, bridge and real estate development being carried out by a British syndicate. Inset at the left is a scale drawing of the Lion's Gate Bridge as it will actually appear. Smaller photographs on the right were taken on the Capilano Estates especially for The Financial Post. They show rock blasted on the foundation for golf clubhouse; road-building on the shore of an artificial lake; and the cutting of the main entrance to the Capilano Estates through the forest.

—Aerial view by Royal Canadian Air Force.

By C. W. Stollery

WEST VANCOUVER.—Here at the very portal of Canada's great Pacific seaport, Vancouver, British Pacific Properties Ltd. is carrying out a real estate development unique in this country.

British money originating largely from Guinness's Stout is being poured into the Vancouver area to hold the huge Marine Building erected through the ill-fated promotion of G. A. Stimson & Co.; to build a roadway through the centre of famous Stanley Park; to construct a bridge costing some $6 millions across the First Narrows, entrance to Vancouver harbor; and finally to develop the Capilano Estates and the Capilano Golf Club links from 1,200 acres of forest primeval on Hollyburn Ridge in West Vancouver.

Connecting with the Marine Drive from downtown Vancouver, the new roadway will enter Stanley Park to the west of the present causeway, cut through the famous park to the new bridge to West Vancouver, leading directly to the Capilano Estates.

Involves $12 to $20 Millions

When completed, the whole development will involve investment of a total variously estimated at $12 to $20 millions of new money.

British funds have always been in the van of investment in Vancouver and British Columbia. It is probably no exaggeration, however, to say that never was there a more striking demonstration of confidence in the future of Vancouver than in this huge investment through British Pacific Properties Ltd., British Pacific Co. and Lion's Gate Bridge Co.

The syndicate of British capitalists is headed by the 76-year-old Lord Southborough (F. J. S. Hopwood), whose career as a solicitor in government service has brought him knighthood, a barony, membership on many Royal Commissions and a seat in the privy council.

It was all started in the depths of the depression. With the world as its investment oyster, the Guinness money was persuaded that Vancouver is a pearl of great promise. Once convinced, no obstacle has been too great for the British capitalists to overcome in carrying out development plans.

Deal With Municipality

One of the first steps was to make a deal with the municipality of West Vancouver for land on Hollyburn Ridge overlooking the entrance to Vancouver Harbor. Purchase was made of tax sale land on the municipality's hands for $75,000 on the understanding that it would be tax free for 5 years and upon an undertaking by the British syndicate to spend at least $1 million on development in that period.

Already it is estimated that over $1½ million has been spent on development of the Capilano Estates and golf course. Winding roads have been cut through the forest. Paving with asphalt is proceeding rapidly and a great deal of this work will be completed this year.

The golf course is well on the way to completion. Many fairways are already carpeted heavily with green and are being mowed regularly. Once the forest is cleared, it is fairly easy to develop fairways and greens because of the heavy growth resulting from the high rainfall on the Pacific coast. In the property are small artificial lakes. The golf clubhouse foundation is being blasted from rock. The clubhouse windows will command an unsurpassed view of sea, mountains, Stanley Park, the harbor and city of Vancouver.

Restricted Residential Area

The idea in all this development is to create a highly restricted residential area. Large lots will be sold, but are not on the market until development of roads, sewers, bridges, and golf course is practically completed. Applications for property, however, are reported to have been numerous.

Even when fully developed, of course, the unique residential area in West Vancouver would be handicapped without more rapid transportation to Vancouver than is now available. Present routes to "West Van" are either by ferry across Vancouver harbor or by the Second Narrows Bridge, either taking the better part of an hour. The new bridge will cut the motoring distance to less than half an hour from the Capilano Estates to downtown Vancouver and its rail water and airplane communications with the world. The West Vancouver development was initiated, however, long before the bridge was finally approved by the Dominion.

Obstacles to Bridge

Vancouver voted 5 times against a bridge over the First Narrows entrance to the great harbor. The council of the Vancouver Board of Trade opposed the present project on the ground that the structure would not be wide and high enough to ensure the harbor's future expansion. The Dominion government took a long time to put its seal of satisfaction on the plans.

Despite the delays and disappointments, the project known as Lion's Gate Bridge was carried forward. Plans were revised. They now provide for a suspension bridge with a span of over 1,500 feet at the harbor entrance, and for a clearance at high tide of about 210 feet, considered more than ample for any vessel on the seven seas.

Work on the approaches to the bridge has already started. The roadway through Stanley Park will be well on the way this year.

Machines have been set up for boring test holes to determine the nature of foundations for cable anchorages on the south side of the $6 million bridge.

Testing and Contracts

Approximately 1,000 feet of test holes will be put down by diamond drill, according to Major W. G. Swan, Vancouver engineer, who is acting in association with Monsarrat & Pratley, the Montreal firm which is preparing plans for the big structure.

A. J. T. Taylor, managing director for the British syndicate, is now in Vancouver supervising details of construction, having stopped at Montreal to consult with engineers.

Contract for building the bridge will not be let until late this year, according to Mr. Taylor. The present drilling contract will be completed within about a month.

In addition to the boring at the south side, Stanley Park, Boyles Brothers Drilling Co. will also bore 4 holes in the bed of the First Narrows to test foundations for the south channel pier.

Site of the bridge anchorage in Stanley Park is 200 feet east of Lookout Point, marking the junction of the bridge with the approach roadway through the park. The bridge company will build the roadway and turn it over to the city of Vancouver for operation and ownership.

Revenue and Finances

Revenue from the bridge will be derived from tolls. The structure will be financed with a bond issue most of which is understood to be pre-sold to the British syndicate. There is to be no subsidy, no government guarantee.

To be self-supporting, the bridge will have to draw traffic from ferries and from the distant Second Narrows Bridge. As times goes on, there is the possibility that traffic for all will increase. At first, however, it is believed that the Lion's Gate Bridge will get most of its revenue at the expense of other forms of communication across the harbor waters.

The ferries have provided profits for municipalities of North Vancouver and West Vancouver for many years and if experience elsewhere is repeated they may still operate profitably despite the bridge.

West Vancouver, of course, should benefit materially from revenues on Capilano Estates property when it again becomes taxable. On the other hand, there is evidence that "West Van" may be facing a sort of real estate boomlet as a result of the bridge project. Optimism engendered by such booms is often costly to the municipality, especially when it makes capital expenditures of its own in the hopes of marketing its vacant lands.

Far-Reaching Effects

Besides affecting other means of communication with the north shore and real estate in West Vancouver, the Lion's Gate Bridge may have important influences on property in the city of Vancouver itself. In effect, it extends Vancouver northwestward. There may well be a swing of traffic to the westward line of communication with the north shore. Something of this sort may have been in the minds of the British syndicate when, through British Pacific Co. they acquired ownership of the Marine Building on Hastings Street, Vancouver.

At present the Marine Building is slightly to the west of the most active Vancouver business area. The building is not fully occupied. The purchase price is reported to have been approximately $1 million and it is hazarded that the building is not profitable at present. Having been bought at a bankruptcy price, the Marine Building may prove highly profitable if business recovery continues to create demand for office space in Vancouver and especially if the bridge project tends to move business activity westward.

Wealth for Province

Vancouver and British Columbia have everything to gain and nothing to lose in the various projects. A great deal of new business arises from the large expenditures that have been and will be made. There is no risk to taxpayers because the developments are entirely of a private nature.

Even though it may take a long time to populate the West Vancouver residential development, the effect should be highly beneficial to the coast province. First, there will be an influx of wealth and income as residences are established. If taxation is restrained so as not to kill the goose that should lay the golden eggs, municipalities and the provincial government should gain revenue from the imported incomes. There should eventually be some handsome succession duties for the province.

Success for the residential project would probably grow on itself. Only part of the West Vancouver property is being cleared and improved at the outset. If sites are sold readily, British Pacific Properties will proceed with its development on land further up the slopes of Hollyburn Ridge. It is possible that West Vancouver will become a haven for harrassed and worried Britishers and that its fame will grow.

Dream of Future

The West Vancouver developments, and particularly the Lion's Gate bridge, were originally the nebulous dreams of A. J. T. Taylor, native of Victoria, B.C., who has been active for some years in London financial circles. He is credited with selling the idea of Vancouver investments to the Guinness interests.

Fulfillment of present development plans will mark realization of the dreams of the past. Growth of West Vancouver and Capilano Estates as a haven of wealth is the dream of the future.

The city of Vancouver alone is not expected to provide customers for land and mansions on the Capilano Estates. Heavy taxation in Great Britain, and Albion's proximity to the smoldering European bonfire, are expected to lend comparative attractions to residences in West Vancouver for wealthy Britishers. The mild climate is expected to attract people of wealth from the United States and other parts of Canada.

Vancouver Scepticism

Comparatively few Vancouver people appear to have made the pilgrimage to West Vancouver to see the residential paradise that is being wrested from the forest. There is a good deal of scepticism among Vancouverites of the commercial value of the investment that is being made in West Vancouver. Who, they say, will reside in such a place? How will it pay? Will not the rain and fog of winter disappoint those who do come? Won't taxes be as high in British Columbia as elsewhere?

It is the British money, of course, that is taking the risk; and apparently liking it. Perhaps the long-sighted Guinness administrators who are looking forward a generation or more will demonstrate that there is truth in the adage: Those who live nearest the sun are often blinded by its rays.

Mexican Pwr. Hit by Strike Of Employees

Demands Would Cost Over $250,000 Annually

TIES UP INDUSTRY

Mexico's labor situation generally has been in a highly disturbed state for many months, literally hundreds of strikes having taken place all over the country. Many of the demands made by workers are said to be fantastic and bolshevist in character.

Mexican Light & Power Co., operating under a Canadian charter and in whose securities many Canadians are interested, is now involved in a general strike which by reason of the vast extent of the company's operations is very serious to all concerned. Mexico city has been without private lighting and virtually all industry depending on the power company has been paralyzed by the strike.

Two-fold Dispute

While no official statement from the company is forthcoming, it is learned from reliable sources that the dispute with employees is two-fold; firstly as to rate of wages and secondly as to the terms of the collective labor contract now under negotiation.

As to wage rates, it is understood company employees already enjoy a scale of wages as high or higher than that in any other industry in the republic with the possible exception of certain of the deep miners who can work only short hours.

The company is not earning all its fixed charges at the present time, and, to the resulting deficit, if demands of employees were acceded to, there would have to be added about one million pesos per annum, equivalent to over $250,000 Canadian currency.

Collective Contract

As to the second phase of the dispute, concerning the collective labor contract, the syndicate representing workers is insisting upon insertion of many extraordinary clauses in the new contract. If inserted, the effect would be not only to add greatly to the company's expenses but would also virtually entail handing over management of the company to the employees.

It is understood the company has offered many concessions by way of compromise without avail and that it has also offered to submit the whole dispute to the arbitration of the president of the republic or to any body named by him. The syndicate, however, has flatly refused this and has been insisting on 100% compliance with their demands.

Say Strike Legal

Under Mexican law, when a strike takes place the authorities must decide whether it is legal or illegal. The strike against the power company has been declared legal and the circumstances under which this ruling was made are illustrated by the following recent dispatch to the New York Sun:

"In the midst of an intensely dramatic setting, the Federal Board of Conciliation and Arbitration handed down a verdict that the strike of the electricians for higher wages is legal, as 5,000 workmen gathered before and inside the labor building, punctuating their demands for a favorable pronouncement with revolver shots and crash of window panes. An hour later the arbitrators issued their opinion that the strikers were thoroughly within their rights.

"'God knows whether anyone inside the court room would have come out alive had the decision been unfavorable for the strikers,' remarked newspapermen attending the hearing."

A dispatch from Mexico City to the New York Times this week states:

"It was learned on unimpeachable authority that executives of the company controlled by Canadian and Belgian interests have received broad hints the properties would be turned over to the labor syndicate's operation unless the company promptly acceded to the workers' demands."

Better Treatment For Car Makers

Ford and General Motors Get Concession in South Africa

Concessions to both Ford and General Motors in respect of commercial vehicles and trucks imported into South Africa have recently been obtained, according to the Johannesburg correspondent of The London Economist.

Commenting on the widespread tendency to increase tariff and foster local industry, it is reported that Ford Motor Co. of South Africa Ltd. and General Motors (South Africa) Ltd. recently made representation against the existing plan whereby the full duty of 20% was levied on imports of unassembled chassis. Both companies stated they would have to revert to the import of completely assembled units if the present duty position were maintained.

Since they were obliged to pay the full 20% duty on these imports, their margin of protection consisted only of the difference in the ocean freight rates on the assembled and unassembled vehicles, which, they claim, was entirely inadequate.

After careful consideration, the Board of trade and industries decided the applicants' request should be granted, and accordingly recommended an ad valorem tariff of 10% in the case of completely unassembled chassis for light commercial vehicles.

New Books

Investing by Rule

Famed Major Angus Tells How and When to Buy and Sell to Make Largest Investment Profits

INVESTMENT FOR APPRECIATION. By Major L. L. B. Angas. Published by Macmillan's in Canada, Toronto. Price $6.

Investment and speculation are not sciences for which exact rules to cover every contingency can be defined. But neither are they blind gambling affairs in which hunches and "instinct" play major rôles. Hence the need for reasonable, safe guides for the investor. Major Angas has become something of an investment pundit. By shrewd interpretation of available factors he predicted in February, 1921, the collapse of the German mark, in 1926 the collapse in rubber, in 1931 the rise in gold shares, in 1933 the rise in Wall Street. His worst guess to date was his now-recanted 1934 forecast of "the coming collapse in gold." The Major is at present shuttling between London and New York on investment advisory work. In "Investment for Appreciation" he sets forth in great detail the principles on which he thinks the investor should operate.

Probably 75% of the investor's problem can be solved by simple, definite principles capable of practical application and outlined in this volume. But Angas still insists upon the need for sound judgment and interpretation. His volume is no certain formula for large profits and is not intended as such. But it is as practical and useful a guide-book for senior investors as has appeared in recent years. It gains enormously from having been written by a man who is equally familiar with investment markets in London and New York.

Invest in Cycles

As the title suggests, the volume is intended to aid in the selection of investments for profit as well as interest or dividend return. The small investor who wants to buy securities that he can put away and forget might find it profitable to read Major Angas's book, but it is not likely that he would take the time to study out the principles and guides that are so copiously provided. The volume is to be recommended, then, only to the advanced investor or trader, and, of course, it will be of inestimable value to those engaged professionally in finance.

A great deal of attention is paid to the business cycle — general cyclical movements and shorter-term intermediate swings in business — and the investment policies required to meet the changing circumstances these cycles produce. Major Angas develops a plan for investing so as to exploit the long-run or major market movements. He would have the average investor ignore the minor or day-to-day movements and use the intermediate swings chiefly for improving his list by switches.

Is Believer in Charts

There is in Major Angas's methods a great deal of reliance upon charts as indicative of trends. The portion of his volume which deals with "chart-reading" is exceedingly well written, easier to read than most studies in charts, and much more practical, since the limitations of charts as forecasters are recognized.

There is also a comprehensive study of the business cycle, its causes and its traditional course through boom, strain, collapse, depression, revival, prosperity, etc., ad infinitum. Major Angas labels his appendix on "Causes of the Business Cycle" as perhaps the most important portion of the book from the fundamental point of view.

The Major's investment rules are almost inexhaustible; in fact, for the investor to find securities that would meet all his requisite tests, might be a difficult problem. The rules are summarized, for both buying and selling, under four headings: "selection," or what to buy and sell; "timing," or when to do it; "cartographical," or how to read chart indications, and "mathematical," dealing with the range of market movements and their significance in buying the right thing at the right time.

Major Angas has rejected most of the "New Era" theories of investment as well as most of the new notions of the depression era. He regards the business cycle as a normal phenomenon; he expects further booms and further collapses. He insists on earnings of 8%; he advises the investor to stick to the leaders and never to attempt to buck the tide.

Your Investments

What We Do:

1. Give information on Canadian securities to Financial Post subscribers.
2. Publish anonymously letters of general interest.
3. Supply facts rather than opinions.

What We Don't Do:

1. Answer enquiries of non-subscribers.
2. Answer enquiries on foreign securities.
3. Reply by telephone or telegraph.
4. Select lists of securities; express opinions; or make forecasts.

Three-cent stamp must be enclosed. Address T he Financial Post, 481 University Ave., Toronto.

Western Savings & Loan

I would appreciate any information you may have as to the financial standing, management and integrity of Western Savings & Loan Association.

Western Savings & Loan Association at Dec. 31, 1935, had total assets of $904,000, on which certificate holders had net surrender value claims totalling $692,000, leaving $211,852 of net assets securing reserve fund and capital stock.

The company issues installment certificates, upon which the purchaser should maintain his full payments during the whole life of the certificate to get the full benefit. The company's bonds and mortgages have apparently been carefully selected, and earnings are more than sufficient to meet charges of the company. The company appears to be efficiently managed.

St. Boniface Bonds

I am informed that refinancing of bonds of St. Boniface, Man., is to be undertaken this year. Can I be sure of this? I am inclined to sell the bonds which I hold and buy those of Ford City.

Refinancing for the city of St. Boniface has been discussed with representatives of bondholders, but further negotiations have been deferred pending the outcome of the Manitoba election.

If the present government is reelected in Manitoba, some plan of debt adjustment for St. Boniface may proceed this year. If other parties are elected, it is still possible that the debt adjustment will be made, but it would appear to be less certain.

Municipal authorities in Winnipeg inform us that St. Boniface should easily be able to pay 3% on its bonds, and could perhaps pay 4%. In any debt negotiations that are undertaken, you can be sure that the interests of bondholders will be well represented.

Naturally, the sale of St. Boniface bonds at below 40 would mean a considerable sacrifice to purchase East Windsor (Ford City) bonds at a higher price. And if our information from Winnipeg is accurate, the prospects are that St. Boniface may be paying a greater rate of interest than East Windsor.

Annuities vs. Stocks

Would it be a wise move at present to liquidate sound stocks and purchase a government annuity? Personally I feel that I would be foolish to buy an annuity when I can invest in stocks at a higher rate and at the same time retain my principal. Also, I notice that an article in your paper intimated that the government may break its contract with those who have bought in good faith and cut down the rate paid.

One cannot be dogmatic about your problem since the investment requirements of individuals differ widely. For many people, annuities are fine investments but an intelligent investor with a fair amount of capital should be able to do well by investing in sound stocks in a period of recovery. An annuity has definite value to an individual who wishes to provide for a steady income in old age.

You have misinterpreted the article which appeared in The Financial Post with regard to the possibility of annuity rates being raised. There is no suggestion that present contracts should be altered, but merely that rates should be raised on future contracts. It does not seem possible that even this can be done for some little time. While the suggestion was made in a report of a committee of the Senate. It is hardly likely the rates will be altered until such time as the proposal has been submitted to parliament. There is a good deal in what you say about retaining high quality stocks from which you obtain higher yields than you would on an annuity.

Hamilton Bridge Co.

I would appreciate some information with regard to Hamilton Bridge Co. common shares. Do you consider them a good buy at the current price for a long pull?

Hamilton Bridge Co. has outstanding $2,187,500 of 6½% first preferred stock, as its senior security. Dividends on this stock will be in arrears $26 a share at Aug 1. Naturally, some settlement must be forthcoming for the 100,000 shares of common stock.

The preferred shares are selling between $37 and $40 each, so that there is ample scope for a rise of these senior shares. Some such favorable development may be necessary before there will be much further improvement ahead for the common shares.

The company has had 4 years of operating deficits, but is doing considerably better this year, volume for the first 6 months having shown an increase of about 27% over that for the first half of 1935.

Even if the company does not pay off all arrears of preferred dividends in cash, any capital readjustment that is made to take care of the preferred arrears would undoubtedly favor the preferred stock. While the company's outlook has improved materially, there is probably enough of a risk in the preferred shares without considering the common.

Canada Vinegars

I would appreciate your opinion of Canada Vinegars stock as an investment.

Canada Vinegar's earning results depend to a large extent upon development in one or two months in the autumn of the year, and, as was the case last year, temporarily adverse conditions may influence earnings disproportionately. The company's record, of course, is very good, and earnings generally have been stable.

Montreal Debenture

Would you advise the bondholders of Montreal Debenture Corp. to subscribe to the plan of reorganization outlined in the recent letter sent out by Interprovincial Debenture Holdings Ltd.?

We see no reason for bondholders of Montreal Debentures Corp. not subscribing to the plan of reorganization as outlined in the letter from Interprovincial Debenture Holdings Ltd. Our only criticism is that sufficient information has not been given to bondholders. The letter states that shareholders of Interprovincial Debenture Holdings will be in a position to act as a consolidated group in carrying out the proposed reorganization of Montreal Debenture Corp. Details of this proposed reorganization are not given and our understanding of it is that if all bondholders subscribe, the company will merely be taken over by Interprovincial Debenture Holdings. Since the 5 voting trustees appointed by the bondholders of Montreal Debenture, who have represented the bondholders for several years, will act as directors of Interprovincial Debenture, bondholders' interest should be fully protected. Since all other securities are to be eliminated the entire equity of the company will pass to bondholders.

Consumers Gas Co.

I am considering the purchase of 5 shares of Consumers Gas Co. What do you think of these shares as an investment?

The proposed investment involves over $1,000. Although these shares have always been regarded as among the highest quality investment stocks, it may be worth noting that the consumption of gas has not kept pace with recovery, and that the company is subject to keen competition from low cost hydro-electric service. While the company has the legal right to raise rates, so as to be able to pay the 10% dividend on the shares, any increase in cost of gas would just give advantage to competitive electricity.

Northwestern Utilities

I would appreciate receiving your opinion of Northwestern Utilities Ltd. 7% bonds, due 1949, with the high and low quotations for the past year and a half.

It is impossible to furnish accurate high and low quotations for bonds such as Northwestern Utilities 7's. However, on the bid side the low price for the past 18 months appears to have been about 95, and on the asked side the price has got close to 100, and sales may actually have been made as high as 100.

In 1935, Northwestern Utilities earned all interest charges 1.42 times after allowing for amortization. The company has had a deficiency in working capital. It is understood that working capital position has now improved. The company has gas reserves that are apparently good for many years, since the Alberta Utilities Commission has approved a changing of the amortization scheme to a 50-year basis. The company has had some coal competition, which, however, appears to have been overcome. There is still considerable room for expansion of sales, since with the same population, Edmonton is only buying about half the amount of gas that Calgary does. Sales of gas, and the company's revenue are increasing.

The city of Edmonton has a right to purchase, recurring each 5 years. The right to purchase in 1940 has been waived, and it is estimated that purchase on the terms of the agreement would produce a sum over twice the amount of the outstanding Northwestern Utilities bonds.

Under present interest conditions, it is unusual to see a 7% bond selling below 100, but this can be attributed partly to the deficiency that has existed in working capital, and also partly to the government situation in Alberta. If the Alberta situation were to be more settled and the company's revenue increased, there would apparently be some possibility of redemption of the bonds at 105 for refinancing. For the present, however, this does not appear likely.

Newsprint Securities (No. 2)

St. Lawrence Paper

Lack of Fixed Charges Enhances Outlook for Preferred — Position of Company Has Undergone Definite Improvement

From Our Own Correspondent

MONTREAL. — St. Lawrence Paper Mills is the only major newsprint producer without a funded debt. This statement may be qualified by mentioning that recently shareholders approved a small bond issue to be used as collateral for bank loans, but there is no debt in the hands of the public. By foresight or good luck the company issued only preferred and common stocks when it undertook public financing in 1928. Consequently, St. Lawrence Paper has been able to carry on, though with difficulty at times, without fear of foreclosure by bondholders.

The deadweight of fixed charges proved too great a burden for several of the Canadian newsprint manufacturers in the last 5 years. Price Bros., Donnacona, Canada Power and Paper, Abitibi, Great Lakes and Minnesota and Ontario found themselves unable to pay interest on their bonds and went into bankruptcy. A few—a very few—met their debt obligations throughout this period, but the margin of safety was at all times precarious.

Sells at Heavy Discount

The lack of funded debt has directed investment interest to St. Lawrence Paper Mills, for, if the anticipated gain in earnings is realized by the newsprint companies, then any increase in profits for St. Lawrence Paper would accrue to preferred stock, which is currently selling in the neighborhood of 35 to 36.

The fact that the market value of this company's senior security, despite the recent substantial rise, is still discounted nearly two-thirds of its par value, would imply that all is not well with St. Lawrence Paper or the stock would be selling on a basis comparable to the bonds of other companies.

The seeming under-valuation of the preferred is shown in another way. Taking current bank loans and the value of the outstanding preferred, the market places a value on St. Lawrence Paper Mills of about $6.4 millions. This is equivalent to $14,200 per ton of daily capacity — a figure considerably under the average of the industry as a whole.

Reasons for Decline

Why then this anomalous situation? The reasons are not far to seek.

For the last 5 years the volume of business handled by the company has been unsatisfactory;

There have been management problems;

From 1932 to 1935 operations were on a losing basis;

Finances weak;

Operating costs high; and

Working capital inadequate.

These briefly are the major causes for the low value of St. Lawrence Paper preferred. For a proper appraisement of the company and its potentialities it is necessary to examine in more detail events of the past few years.

Centralized Plant Facilities

St. Lawrence Paper Mills operates a modern plant at Three Rivers with an annual capacity of 142,000 tons of newsprint paper. It does not produce its own power, but buys from Shawinigan Water and Power Co. It holds timber limits containing in the aggregate 9 million cords of pulpwood. In addition it has a contract with the Breakey interests up to and including 1943 for 50,000 cords of pulpwood each year. In recent years the company has done very little cutting on its own limits, contract purchases meeting the major proportions of requirements.

No Profits Since 1931

The last year in which St. Lawrence reported an operating profit was in 1931, when, with newsprint at $57 a ton, the company manufactured 66,257 tons of paper and reported a profit of $427,452.

The price of newsprint dropped sharply in the next 2 years and so did the volume of tonnage handled, with the result that there was an operating loss of $430,887 on a turnover of only 39,042 tons in 1933.

This was the low point in operating losses, but it was not the worst showing, for the following year, on a turnover of 104,492 tons, the company lost $366,981, with very little change in the selling value of the product.

Three Major Drawbacks

St. Lawrence Paper's record up to that time was probably as bad as any other major company in the field. The reasons were 3-fold: expensive wood, relatively high power costs and management.

When St. Lawrence made its power contract, the terms were considered eminently fair, for it was never anticipated that operations would drop to 30% of capacity or that newsprint would sell for less than $33 a ton at the mill. Nevertheless that happened and the power contract proved onerous.

The same remarks apply to the Breakey contract. There were many occasions in the last 3 or 4 years when the company could have secured wood at considerably less cost in the open market than had to be paid under the contract. The fullfilment of this contract, accordingly, bore heavily on the company's ability to show an operating profit.

New Trend Favorable

The third, and by no means the least, was the matter of management. Executive changes militated against a uniform policy and the management was necessarily a temporary arrangement until appointment of an operating head last year. However, important economies have been made, as will be seen in the following table covering earnings in the last 6 years. The decline in the loss during 1934 and 1935 is notable in view of the low selling price for newsprint:

Net Operating Income Before Depreciation

Year ended June 30, 1930	$1,369,496
Year ended Dec. 31, 1931	427,452
Year ended Dec. 31, 1932	*286,671
Year ended Dec. 31, 1933	*430,887
Year ended Dec. 31, 1934	*366,981
Year ended Dec. 31, 1935	*30,964

*Loss or deficit.

Weaken Financial Position

A succession of operating losses naturally led to a weakening of the company's financial position. At the end of 1935 working capital had dropped to less than $700,000, a decline of over $1.4 million since 1930.

Bank loans have increased substantially in the last 4 years and at the close of 1935 totalled $791,295. In addition, the company ran up a liability of $271,542 owing to Brompton Pulp and Paper, while the balance of unpaid power bills amounted to $700,533.

In view of this record it is not surprising that the company reduced the 6% cumulative dividend on its 142,256 outstanding preferred shares to half of the regular rate on April 15, 1931, and passed it altogether on July 31 of the same year. Consequently, the preferred stock was in arrears $29.25 a share on January 15 last and currently $32.25.

Current Situation Healthier

Over the past 12 months St. Lawrence Paper Mills' position has undergone an improvement, though the company is still a long way from being out of the woods.

Operations are now better than 76% of capacity. This has been due in part to rising consumption, but mainly to receipt of large contracts from Hearst and Scripps-Howard toward the end of 1934. The latter business expires this year, but prospects are that the contracts will be renewed on a more favorable price basis, or that the tonnage will be replaced by other business.

Foreign tonnage on the company's books is becoming less important, so that the average price received by the company for its product is better than it has been for some time past.

Clean Up Balance Sheet

Earlier this year steps were taken to clear up obligations to Brompton and Shawinigan. These liabilities of over $971,000 were settled for a cash payment of $600,000. In order to raise the money the company created a small bond issue which was deposited as collateral with the banks to cover the new loan.

Incidental to the settlement of these liabilities, an arrangement was made with Shawinigan for the revision of the power contract to a more favorable basis with an extension to 1944.

The Breakey contract still holds good. In this connection, however, it should be noted that as production increases, the cost of wood goes down. Further, the wood supplied by Breakey is of exceptional quality and on conversion produces about 13% more paper than the ordinary run of pulpwood, thus minimizing the higher wood costs.

Economies Lower Losses

The management is now working smoothly and, since centralization of control of operations, further marked economies have been made. Costs per ton of newsprint paper are said to be as much as $3 a ton less than a year ago.

Having in mind the foregoing, the following analysis of the trend of earnings on a per ton of output basis is particularly illuminating:

Year	Oper. ratio %	Tons produced	Aver. price per ton $	Oper. profit before depr. & depletion $	Return per ton $
1930	67	95,566	62	.....‡	.....
1931	46½	66,257	57	427,452	6.45P
1932	37½	53,376	48-1/3	286,671*	5.40L
1933	27½	39,042	41¼	430,887*	11.20L
1934	73½	104,492	40	366,981*	3.50L
1935	76½	108,348	40	30,964*	.285L
1936†	76+	......	41	......	.....

†For first half of year.
‡Financial returns are for fiscal year ended June 30; cannot be reconciled to calendar year's production.
P—Profit. L—Loss.
*—Deficit or loss.

Show Profit This Year

The foregoing shows tonnage has recovered much of lost ground and that the company is no longer in a "short" position. The loss per ton of production has been practically wiped out and with the economies now in force and a better average selling price received, it can be said that as far as 1936 is concerned, St. Lawrence Paper should be able to show relatively substantial earnings available for depreciation—the first time in 4 years.

There is little possibility of a resumption of dividends in the near future. First, the company will have to set up an adequate reserve for depreciation and depletion, probably $400,000 a year. Bank loans present no particular problem as, with an upswing in earnings, they could be liquidated. If manufacturers are successful in securing an advance in the selling price for newsprint from 1937 onward, prospects for St. Lawrence look fairly encouraging, as the company should be able to retain if not increase its present volume of tonnage.

On the whole, therefore, St. Lawrence Paper preferred is regarded as presenting speculative possibilities for capital gain over the next year or 2.

The Woman Investor

Should Bankers Advise?

WOMEN who seek investment advice from the manager of their local bank are frequently left with the impression that such advice is negative. The reason is that bank managers in some cases take the view that it is not the function of a bank to advise depositors concerning investments. There might be a loss, unfavorable publicity or reactions affecting the prestige of the bank, or merely because to provide such advice is regarded as "dangerous" in principle.

Mabel F. Thompson, director of the Service Department of the Union Dime Savings Bank, New York, thinks otherwise.

In place of the attitude that the woman depositor should "put her money in the bank and forget about it," Miss Thompson believes that the functions of a bank have changed in this respect during recent years.

The chief reason for the change is the practice of depositors themselves. Not content to accept 2% or less as the earned interest on their savings, and with the example of war loan interest rates still fresh in their minds, women continue to seek profitable employment of their money.

And the crux of the situation is that unless they are wisely advised by a disinterested source, many women are apt to become speculators without knowing it.

Miss Thompson's department of the Union Dime Savings Bank was created to cope with this factor in the field of investment counsel. The bank, through its service department, had a chance to explain the basic requirements of sound investment practice, and thus retained for the legitimate investment field thousands of dollars that otherwise would have gone into speculation.

The bank also had the opportunity of finding whether the customer's own financial position warranted her making an investment, or whether insurance, for example, was the first requisite.

The policy has proven signally successful, according to Miss Thompson, who says, "It is not our policy to recommend specific securities, but rather to show what we, as a savings bank, consider a sound investment policy; to tell the customer of what we believe he or she should look for, and to point out the value of a well balanced financial programme."

When information is sought on specific securities, the bank merely produces the reports of well-known statistical and financial analytical services, similar to those of The Financial Post Corporation Service in Canada.

Earnings reports, authoritative comment on the position and prospects of individual companies are also produced for the customer's benefit.

It is a long step forward from the attitude of the old-fashioned banker who asked his advice-seeking customer the pointed question, "What's the matter with the bank. Your money is safe here," with the accent on the "safe."

Rackets

Marked Bills

RESTAURANT cashiers in several of the larger cities of eastern Canada have been flimflammed out of many $5 bills in the last few months.

A quick talking stranger waits until there is a considerable crowd of customers going out and the cash register is ringing busily. Then he proffers his meal check and a $5 bill. Counting his change, he insists that he gave the girl $10.

"Ridiculous," says the cashier, "here is your bill right on top where I placed it."

But the customer does not agree. In the ensuing argument his voice is raised and the manager appears.

The latter offers to check over the cash at the end of the day and if an extra bill turns up it will be passed along. This suggestion, however, is refused, the stranger claiming that he is going out of town. He again states he is sure it was a $10 bill and on thinking it over believes it is the same one on which he jotted down a telephone number when in a 'phone booth that morning.

"When I come to think of it now," he says "I believe the number was Randolph 1260."

The manager then goes through the till and rather to his astonishment finds a $10 bill so marked. A profuse apology and a $5 bill follows. At the end of the day, however, the cashier finds herself short the same amount.

The explanation is simple.

Some hours previouly the stranger or a confederate had been in the restaurant and had passed along the inconspiciously marked bill in paying for a meal check. With the money so planted all that was necessary was to approach the cashier when she was busy with the noon hour rush. If the bill had been handed out to someone in the meantime—an unlikely occurence in any case—the swindler would merely say he must have been mistaken and depart.

Will Allow Foreclosure On Auditorium Property

From Our Own Correspondent

MONTREAL. — Shareholders of Auditorium Ltd., Ottawa, have reached a decision to allow bondholders of the property to go ahead with a projected foreclosure in respect of bonds on which interest remains unpaid.

According to a statement submitted to the meeting by C. M. Brunton, secretary treasurer, the company experienced an operating profit of $5,809 for the period October 31, 1935, to June 30, 1936, bringing total deficit to $91,518 since commencement of operations.

Niagara Wire Weaving Stock Split Effective

From Our Own Correspondent

MONTREAL.—Supplementary letters patent were issued July 20 changing the authorized common stock of Niagara Wire Weaving from 62,000 shares to 124,000 shares of no par value. At the same time the old stock was delisted from the Montreal Stock Exchange and the new stock admitted to trading on a "if, as and when issued" basis.

Montreal Area Tax Arrears Reduced

From Our Own Correspondent

MONTREAL.—An aggregate drop of $100,000 in tax arrears for June is reported by the 11 solvent municipalities under the Montreal Metropolitan Commission. As of June 30 sums collectible stood at $1,541,000, compared with $1,641,000 due at the end of May.

At the same time arrears of the 3 bankrupt towns, Point aux Trembles, Montreal North and Saint Michel de Laval were lower by $9,000 at the end of June to stand at $180,000. This compares with $208,000 at the same date last year.

Taxes outstanding June 30 last, as compared with May 31, 1936, were as follows:

	June 30 $	May 31 $
Mount Royal	37,000	40,000
Verdun	237,000	285,000
Montreal East	47,000	48,000
Hampstead	22,000	23,000
Lachine	187,000	208,000
Westmount	427,000	440,000
Ville LaSalle	65,000	67,000
Outremont	316,000	365,000
Ville Saint Pierre	37,000	41,000
Montreal West	68,000	71,000
Ville St. Laurent ...	98,000	103,000

Canadian Corporation Securities

	Price	Approximate Yield to Maturity
Canadian Canners Limited 4% First Mortgage Convertible Bonds Due 1 May, 1951	100.00	4.00%
Canadian Pacific Railway Company 3% Convertible Collateral Trust Bonds Due 1 October, 1945	93.75	3.79%
Gatineau Power Company 5% First Mortgage Bonds Due 1 June, 1956	99.75	5.02%
Montreal Light, Heat & Power Consolidated . . . . . . 3½% First Mortgage and Collateral Trust Bonds Due 1 February, 1956	102.50	3.33%
Saguenay Power Company Limited 4¼% First Mortgage Bonds Due 1 April, 1966	104.50	3.98%
Shawinigan Water & Power Co. 4% First Mortgage and Collateral Trust Bonds Due 1 April, 1961	99.00	4.03%
Union Gas Company of Canada Limited 4½% First Mortgage Bonds Due 1 December, 1950	99.75	4.53%

Complete information will be furnished upon request.

DOMINION SECURITIES
CORPORATION LIMITED
TORONTO MONTREAL WINNIPEG VANCOUVER NEW YORK LONDON, ENG.
15 King Street West, Toronto

Orders Executed on all Canadian Exchanges

Montreal, Toronto and Vancouver stock exchange business promptly executed and reported. Also private wire connections with New York.

Greenshields & Co
Members Montreal Stock Exchange
Montreal Curb Market
507 Place d'Armes, Montreal
TORONTO OTTAWA QUEBEC
SHERBROOKE
65

STOCKS LISTED AND UNLISTED BONDS
Hambly, Peaker & Trent
Members
THE TORONTO STOCK EXCHANGE
613 DOMINION BANK BUILDING
TORONTO
Elgin 3294

Woven into the SOCIAL FABRIC OF CANADA

Like a strand, intricately woven, the Canada Permanent Mortgage Corporation is an integral part of the whole social fabric of Canada. For 81 years it has been a vital factor in community development throughout the Dominion. It has proved a dependable guardian of Savings, has promoted confidence and encouraged national thrift.

FOUNDED 1855

CANADA PERMANENT
Mortgage Corporation
HEAD OFFICE: 320 BAY ST., TORONTO
ASSETS EXCEED $69,000,000

The WESTERN SAVINGS and LOAN ASSOCIATION
HEAD OFFICE: WINNIPEG, MANITOBA
AGENCIES
EQUITABLE LTD., Calgary, Alberta
BUTLER BYERS BROS. LTD., Saskatoon, Sask.
McCALLUM-HILL AND COMPANY, LIMITED, Regina, Sask.
J. K. RINGLAND & COMPANY, LIMITED, Herald Building, Lethbridge

Abitibi Power & Paper Company, Limited
TORONTO, ONT.
Owning and operating mills at
Beaupré, Que.
Sturgeon Falls, Ont.
Espanola, Ont.
Pine Falls, Man.
Sault Ste. Marie, Ont.
Iroquois Falls, Ont.
Smooth Rock Falls, Ont.
Fort William, Ont.
Daily Capacity 2,200 Tons Newsprint
Groundwood Pulp
News Sulphite Pulp
High Grade Bleached Sulphite Pulp

AND WITH ALL THESE EXTRA FEATURES, FIRESTONE TIRES COST NO MORE?
NO SIR, FIRESTONE TIRES DO NOT COST ONE CENT MORE THAN ORDINARY TIRES
New Extra Rider Strip
2 Extra Cord Plies Under the Tread
Gum-Dipped Cords 58% Stronger
Scientifically Designed Safety Tread

"NOT ONE CENT MORE for this EXTRA MILEAGE"

Many people are surprised to learn that Firestone Tires, because of their extra features and extra mileage, do not cost more than ordinary tires.

Due to Firestone's direct buying and efficient manufacturing methods, Firestone is able to pass enormous savings along to you by giving you a stronger, safer, longer-wearing tire at no extra cost.

Thousands of Canadian car owners will tell you that Firestone Tires are the most dependable and economical they have ever owned. And, no matter how much you can afford for tires, your local Firestone Dealer can supply you with a genuine Firestone-built and guaranteed tire to suit your purse.

Make sure you have good tires to make your vacation trip completely enjoyable. See the Firestone Dealer now.

DRIVE SAFELY
Do not speed. When the speedometer registers 60, your car travels 88 feet in one second and has the same comparative capacity to inflict damage as if you drove off the top of a nine-storey building!
USE CARE COMMON SENSE AND—

Firestone
HIGH SPEED TIRES Safest ever built

U. S. Industry Threatened by Labor 'Rebels'

Green, of A. F. of L., and Lewis, of Mine Workers, at Grips

CRAFTS OR PLANTS

From Our Own Correspondent

WASHINGTON, D.C.—The jurisdictional rebellion by John L. Lewis, head of the powerful united mineworkers and the "committee of industrial organization" against the authority of President William Green and his council of the American Federation of Labor craft unions not only threatens the United States with the bitterest labor war in its history, but carries political implications causing intense anxiety to the Roosevelt administration.

President Green and the A. F. of L. council, retreating from their first threat to summarily expel Mr. Lewis and his industrial unionists, have now set August 3 next as the date for holding a formal "trial" of the revolters on the ground of insubordination. But Mr. Lewis and his followers have so far flouted the order to appear before the council, asserting the A. F. of L. has no authority to act as their judges, and that the controversy is one "between equals."

Administration Worried

The ostensible, or at least immediate cause of the open break between Lewis's industrial union crowd and Green's A. F. of L. craft council is Lewis's bold campaign to organize the giant steel industry, embracing 500,000 workers, and another 320,000 odd employees of the automobile and rubber industries into plant or industrial unions. It is the threat of bloody warfare in the steel industry, especially, that is worrying the administration.

Edward F. McGrady, U. S. assistant secretary of labor, and Mr. Roosevelt's "trouble-shooter," is desperately endeavoring to bring about a compromise or at least a truce between the warring labor chieftains until after the presidential election in November. His objective is to keep both the "craft" and "industrial" unions lined up for the administration, despite their internecine war.

Lewis Endorses Roosevelt

Lewis stole a march on President Green when he induced the mine workers at their recent national convention, to publicly endorse President Roosevelt's candidacy for re-election, thereby in a measure inviting administration sympathy toward the drive to convert American unionism from craft or "horizontal" to industrial or "vertical" organizations—that is, organizations by plants or whole industries instead of by trades. President Green maintained the stand that the A. F. of L. is non-partisan in politics, giving a somewhat half-hearted endorsation to administration policies toward labor without committing the A. F. of L. specifically to Roosevelt.

While Mr. Lewis's campaign to organize the steel, automobile and rubber industries by plant unions precipitated the open break with the American Federation of Labor, the trouble goes much farther back. It arises from a struggle for supremacy between the aging, conservative, craft union officership of the A. F. of L. and the more youthful, radical and ambitious element in the growing industrial or plant unions. Lewis, who has sprung into national prominence by reason of his powerful and aggressive personality as well as his highly successful organization of the coal industry, is now forecast in many quarters as the possible leader of a U. S. political labor party in 1940—the first in U. S. history.

Lewis's Strength Increases

The crux of the struggle is this: The A. F. of L. membership today is approximately 3,000,000 craft workers. But Lewis's industrial or plant unions now embrace nearly another 1,000,000 and, moreover, many of the craft unions are swinging over to Lewis's side. If he can successfully organize the 820,000 workers in the steel, automobile and rubber industries, he and his supporters will then be in a position to successfully challenge and possibly oust Green and his friends from the A. F. of L. council. No imagination is required to visualize the commanding position, both economically and politically, in which that result would place John L. Lewis.

At any rate, Lewis, apparently with a view to bringing the dispute between his industrial unions and A. F. of L. craft officership to a head, issued a deliberate challenge to the big steel industrialists. Since the bloody Homestead riots of the early 1890's, the steel companies have generally been successful in preventing outside unionization of their employees; latterly, they have taken to forming inside or so-called "company unions." But Lewis set about his scheme to form the steel workers into industrial unions with the greatest fanfare of publicity.

Both Prepare For Battle

The American Iron & Steel Institute, embracing more than 90% of steel companies in the U.S. promptly accepted the challenge, published defiant advertisements in more than 300 newspapers across the U. S. that they would fight to the death Lewis's drive to organize their industry. Both the steel company employers and Lewis are now accusing each other of arming and preparing for violent strikes and lockouts—judging from previous history of that turbulent industry, they are both probably making truthful forecasts.

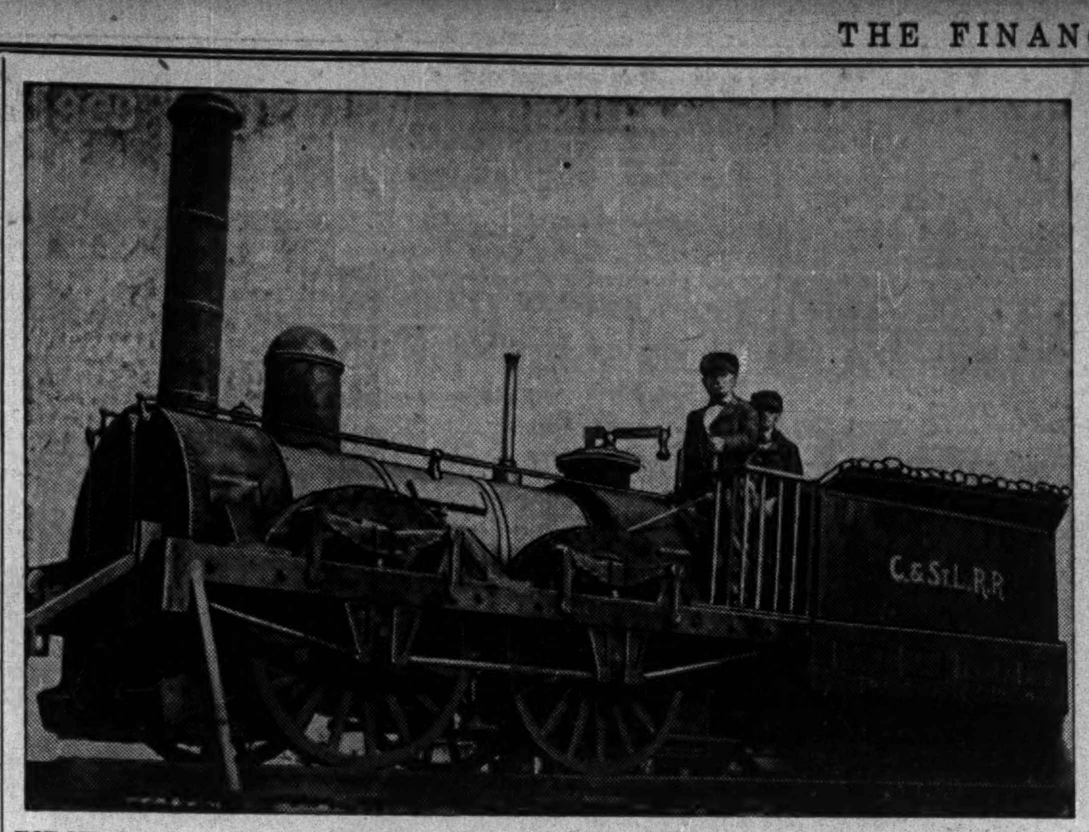
The real point of all this uproar is that Lewis is accusing President Green and the A. F. of L. council of deliberate malingering in failing to organize the steel, rubber and automobile industries when they had a golden chance under the old National Industrial Recovery Act. Green angrily denies the charge, alleges the A. F. of L. failed to get proper support from Lewis's crowd.

Meanwhile, supporters of both factions are writing letters to the newspapers disclosing other interesting sidelights. For instance, Charles Knight, of the international molders union, publicly accuses Green and leading members of the A. F. of L. council of being secretly in sympathy with the Republican party opponents of the Roosevelt administration. In written accusations naming them, he charged that their chief function as labor "aristocrats" was dining out with employers, making speeches, holding fat paid offices, and, in effect, acting as aides to the Republican party by keeping the A. F. of L. ostensibly out of politics, but secretly helping the Republicans.

Sees Lewis as Dictator

On the other hand, one, R. B. Lemus, president of a railway union, charges Lewis's plan is to make himself a labor dictator of the U. S. He cites Lewis's activity in getting the Guffey Coal Act passed which endeavored "to turn over control of the coal mining industry to an alliance of mine owners and mine workers with the state as final arbiter and the state, of course, under the dominance of the allies." To a mere onlooker, that seemed to be a pretty fair appraisal of the act which certainly had no regard for the consumer.

At the moment, a plan of conciliation seems to be a compromise whereby Lewis would agree to dissolve his "Committee of Industrial Organization" in return for united support of the American Federal in organizing the steel industry into industrial or plant unions. But the chief obstacle to that is the bitter hostility of John P. Frey, the president of the metal craft unions in the A. F. of L., who wants the various classes of steel workers organized into respective trades as auxiliaries of the metal crafts. Unless such a compromise can be reached, American organized labor will be split wide open in fierce warfare. And even if the compromise is achieved, the steel plant employers have still to be dealt with. They are hard nuts to crack, even for a wholly united labor organization.



FIRST CANADIAN LOCOMOTIVE LOOKED LIKE THIS

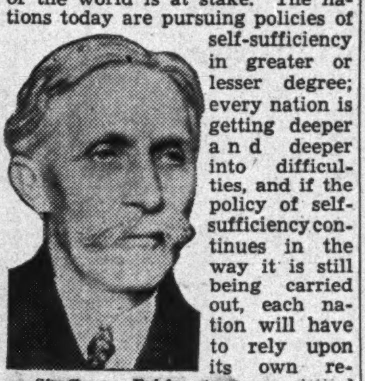
The "Dorchester" first steam locomotive in Canada to be placed in regular passenger train service, made its inaugural 16-mile trip July 21, 1836, from Laprairie to St. Johns over the rails of the Champlain and St. Lawrence Railroad, now a part of the C.N.R. system. A replica of the "Dorchester" used in this week's centenary is shown above with A. J. Shapter, veteran C.N.R. engineer, and G. F. Moran, another retired engineer whose father was once at the throttle of the original "Dorchester."

Thinks Open Trade Among Nations Sure To Bring Prosperity

All That Is Lacking Today for Vast Expansion of Business Is Mental Capacity and Courage, Says Paish

Sir George Paish, noted British economist and author, who for half a century has devoted his attention to world-wide problems of finance, contends in this article that the world is headed for disaster unless nations change their policies of self-sufficiency.

By SIR GEORGE PAISH



Sir George Paish

Issues of war and peace are in the balance—indeed, the future welfare of the world is at stake. The nations today are pursuing policies of self-sufficiency in greater or lesser degree; every nation is getting deeper and deeper into difficulties, and if the policy of self-sufficiency continues in the way it is still being carried out, each nation will have to rely upon its own resources, and upon its own resources alone, for the sustenance of its people.

You can see clearly the trend of events. As each nation gets poorer, it says: "We must buy less from foreign countries," and as each country buys less from other countries, the situation becomes graver, as they all become poorer, the pressure is increased until no one is able to buy anything from outside or from anybody else—a very grave situation.

Never Such Spending

At the present moment the buying power of vast numbers of people in the various countries, in spite of this policy of self-sufficiency, is being maintained by huge governmental expenditures.

We never had such expenditure before, in time of peace. In times of war we had huge governmental expenditures—with ultimately disastrous results. We are today having huge government expenditures in a period of peace and these expenditures are for the time being giving people the power to buy things they would otherwise not be able to buy. These government expenditures are enabling many people to buy in spite of the efforts of the nations not to buy from each other.

Further, the nations, in their efforts to meet their obligations to each other, and to buy food and raw materials are parting with their gold. When nations cannot sell and need to buy, they must pay in something they can pay in, and they are paying today in gold as never before.

In the past year, America and Great Britain were paid for their products, for interest due to them and for shipping services, etc., to the extent of something like 400 million pounds in gold. People say: "Oh, that is gold sent for safe custody to America and Great Britain." I assure you it is nothing of the kind. It was mainly to pay America and Great Britain for their exports, for interest and for services.

Sees Inflation

I think it is true to say that, between government credit and gold, the nations' buying power both national and international is being directly increased by abnormal and temporary causes by something like £2,000,000,000 a year and indirectly by a still greater sum. That is where danger lies. The credit of governments is not limitless nor is the stock of gold outside New York, Paris and London inexhaustible.

When governments' credit does come to an end and the world's stock of gold available for export is exhausted, there will be an immense decline of buying power. So great indeed that privation in every country of the world must result. The pressure on people to buy in their own country, town or village will thus be enormously strengthened if people continue to think and to act as they are now doing.

Foresees Trouble

Thus the world is moving to a condition of self-sufficiency. Not really self-sufficiency; an effort to be self-sufficient which would mean starvation to the over-populated countries and distress in all countries. That is the position that Britons must visualize when they consider the statement of Sir Samuel Hoare that there is danger of war if the policy of national self-sufficiency continues. He evidently sees this grave situation in sight. Indeed, shortly after he made that great speech in Geneva, he made a radio message to America in which he endorsed Mr. Cordell Hull's statement about the gravity of the world situation and pointed out with great clearness that the policy of tariffs and the policy of self-sufficiency were leading to disaster; in which he said it was vitally necessary, not only for Ministers of Commerce, but for the ministers responsible for foreign policy to take cognizance of these things because he said, if the present economic policies continue, it would mean war; that it would not only involve economic distress, it would mean political trouble. He emphatically endorsed Mr. Cordell Hull's statement that the world structure would be in danger of collapse.

Can't Visualize Disaster

Thus it is obvious that unless we deal with these economic matters, we are going to have trouble, the effects of which no one can estimate. I do not wish for a moment to overstate the position for no one can visualize the extent of the danger if the world continues its present policy.

The truth is that no nation today can live to itself, and no region of the world can live to itself. All the nations are essential to each other.

Even the United States, nothwithstanding her size, will be in great distress if she and the world continue their present policy of self-sufficiency. Today America cannot sell her raw materials and her foodstuffs. She is taking people off the farms because they cannot sell their products.

If that be true of America, it is also true of every country—true of the British Empire, of Russia and of China, these great nations which should be able to maintain their peoples in affluence if it were possible for nations to be self-contained. If great nations with vast territories cannot be self-contained how can Italy even by adding Abyssinia to her possessions be self-contained? Not prosperity, but poverty lies that way.

Why Not Get Together?

Progress has brought railways, steamships, motor cars, airplanes, telephones, telegraphs and the radio. All countries are joined together into a single unit. Why should not each part of the world give what it can to the welfare of the entire world? The result would be amazing prosperity.

Bear in mind, there is no limit to the possible trade of the world. I am convinced that as soon as we can get things on to the right lines. there will be an expansion of trade such as we have not even dreamed of. There is not one physical thing lacking to bring about a vast expansion of trade. The only thing lacking is mental capacity and courage.

The first, and vital, thing is that the nations should trade freely with each other. There is no doubt about it.

The second thing is, again open money markets to the capital and credit needs of the world. You cannot have prosperity unless capital and credit are freely available. The difference between periods of prosperity and periods of depression during the past century came through the fact that when there was confidence, and capital and credit were flowing freely, you had active trade, and when there was no confidence and no movement of capital and credit there were trade depressions.

Waterloo Consolidated Gets Capital From U.S.

After a year's close down, Waterloo Consolidated Gold Mines has been reopened under the management of Frederick E. Nelson.

Waterloo, in the Lightning Peak district, near Penticton, B.C. is a silver and gold proposition, and at one time is credited with producing some of the richest silver ore ever mined in the province. The last recorded shipment to the Trail Smelter, made about 2 years ago, averaged 1.087 oz. gold and 19.6 oz. silver per ton.

Resumed operations are financed by United States capital.

Rail Centenary Of First Engine Marked by C.N.

"Dorchester" Made Historic 16-mile Run 100 Years Ago

WHISTLE-BLAST SALUTE

Flames shot into overhanging tree branches and wood smoke belched in grey clouds from the towering smokestack of the "Dorchester," Canada's first steam railway locomotive, when it pulled out of Montreal July 21, 1836.

It was a big moment in Canadian railway history, for a hundred years ago this week, the green-painted, brass-bound "Dorchester" and its train of 2 gaily painted passenger coaches inaugurated the first regular steam railway passenger service in the Dominion. The first run, of 16 miles, was made from Montreal to Laprairie and thence St. Johns, Quebec, over the rails of the Champlain and St. Lawrence Railway, now a part of the Canadian National system.

Aboard the "Dorchester" were the be-whiskered engineer and fireman, the former balancing perilously on the open "cab" of the 13-foot locomotive, protected only by a railing as the "Dorchester" swung around the curves. On the swaying platform of the cord-wood filled tender stood the fireman, heaving wood into the roaring fire-box ahead.

And in the coaches behind rode "a numerous and respectable company" who, as guests of the stockholders of the Champlain and St. Lawrence Railway, were later entertained in the Railway Station House of St. Johns. "The repast, with its accompaniment of sparkling champagne and madeira, was not more enjoyed, than it was universally admitted to be in itself, suitable and excellent," to quote a meticulous journalist of the day.

Notables Make the Trip

From the time the "Dorchester," bearing titled notables and other dignitaries, left Montreal to the strains of a military band and the decorous cheers of bonnetted ladies and beaver-hatted gentlemen, 50 minutes were required for the trip to Laprairie, and 2 hours later the train pulled into St. Johns.

Before starting, the "Dorchester" made 2 short trial trips, and "as the accident which occurred lately to it had not been thoroughly repaired, it was deemed advisable to attach to it only 2 of the passenger cars," according to the Montreal reporter of 100 years ago. The remaining cars, with the balance of the guests, were drawn by horses.

But "the locomotive with its complement soon shot far ahead of the other cars, which passed along the road just as fast as the nags, which were none of the fleetest, could drag them." Comment indicated that the trip behind the locomotive was even more comfortable than by stage-coach.

100th Anniversary

It was a trip not soon to be forgotten, and it was made again this week with a new "Dorchester," mounted on a flatcar and drawn by a modern Canadian National Railways locomotive of the "6400" type.

Commemorating the 100th anniversary of the first "Dorchester's" journey, the rebuilt engine this week travelled in state from Montreal to St. Lambert, and on to St. Johns. Three be-whiskered engineers who once fired wood-burning locomotives, accompanied the anniversary train, garbed as were their predecessors.

Later the anniversary train visited Laprairie where a monument was unveiled by Lieutenant-Governor Patenaude, of Quebec, to mark the site of the departure of the first Canadian steam passenger train. Another memorial was unveiled at St. Lambert, and a third, constructed of stones from the town's first station and embankment, was unveiled at St. Johns. On Tuesday, July 21, the replica of the "Dorchester" on its gala flatcar and drawn by a "6400" was on public exhibition at Toronto.

The "Dorchester" was slightly more than 13 feet in length; a modern C. N. R. locomotive measures 90 feet. The "Dorchester's" height was less than 6 feet, against the modern locomotive's 15, and the tender of a modern engine could easily carry two "Dorchesters" with room to spare.

Whistle-Cord Salute

Railwaymen are not sentimentalists, but at noon on July 21, anniversary of its historic journey, the "Dorchester" was honored by an impressive salute from the whistle of every C. N. R. locomotive in Canada.

As hard bitten engineers pulled their whistle cords, they remembered that the "Dorchester" travelled 8,600 miles in 15 weeks during her first year's service, that she hauled 15,929 passengers in that period in addition to freight, and that pygmy as she was, her Liverpool builders turned out a great piece of machinery in their day.

Company Reports

United Fuel Investments

Despite improved operating profits, United Fuel Investments Ltd., Hamilton coke and gas producer, showed a slight reduction in net profits in the year ended March 31, 1936. This was due to a rise of over $13,000 in Dominion income tax. Net was equivalent to $2.37 a share on the 6% preferred stock, compared with $2.38 a share in the preceding year. Dividends are 30% in arrears.

Coke sales gained 25% in volume but average price was 8% lower than in the preceding year. Gas sales gained 11%. Revenue from by-products of the coke plant were little changed, and comprise about 10% of the company's gross revenue.

Substantial increases in cost of bituminous coal, the company's chief raw material, imposed a heavy burden on earnings. Reductions have been made in other operating and administrative costs. Interest charges, while reduced, will reflect the full benefits of bond refunding in next year's statement.

Cons. Income and Surplus Account Years Ended March 31

	1936 $	1935 $
Operating profit	875,110	862,061
Less: Depreciation ..	220,263	219,633
Interest on bonds ..	351,313	358,812
Res. for inc. tax ..	60,625	47,227
Bond & loan exps. & disct. absorbed	22,156	20,042
Organ. exp. w/o ..	7,181	1,795
Net profit	213,571	214,552
Add: Prev. surplus .	586,007	382,627
Adjustments	14,970	10,828
Less: Disc. on bonds red.*	95,486	....
Bond red. exp.	79,542	....
Surplus forward	641,520	586,007

*Hamilton By-Product Coke Ovens.

Working Capital

	1936 $	1935 $
Current assets	1,653,767	1,365,198
Current liabilities ...	338,630	278,896
Working capital	1,315,137	1,086,302
Ratio	4.89—1	4.89—1

Dominion Stores

Dominion Stores Ltd. increased sales nearly $1 million in the 28 weeks ended July 11, 1936, compared with the 1935 period. The gain for the 4 weeks ended July 11 was the second greatest this year. Although there was a slight decrease in working capital due to loss of $36,992 in the first 24 weeks this year, the company had call loans of $1,141,650 among current assets this year, compared with $1,034,213 in call loans at Dec. 31, 1935. Comparative figures follow:

Dominion Stores' Sales

4 weeks to:	1936 $	1935 $	Inc. %
Jan. 25	1,413,478	1,226,611	15.23
Feb. 22	1,452,088	1,352,553	7.36
Mar. 21	1,513,367	1,417,909	6.73
April 18	1,510,891	1,385,269	9.07
May 16	1,517,152	1,360,939	11.48
June 13	1,463,362	1,350,741	8.34
July 11	1,511,080	1,340,440	12.73
Total	10,381,418	9,434,462	10.04

Working Capital

	June 13, 1936	Dec. 31, 1935
Current assets	2,959,328	2,994,184
Current liabilities	943,743	950,288
Working capital	2,015,585	2,043,896

Enamel & Heating

Enamel and Heating Products reports a net loss of $25,047 for the past year. This is in contrast with a profit of $92 in 1934 and a loss of $40,483 in 1933, before depreciation in all instances. No depreciation has been charged in the last 3 years. After adjustments, the accumulated deficit was increased from $253,360 to $281,378.

Current assets are down from $330850 to $319,490, while current liabilities are up from $451,693 to $463,618, leaving a deficit in working capital of $144,128.

Credit Foncier

Lower income and provision of $357,136 for loss on foreign exchange resulted in greatly reduced profits for Credit Foncier Franco-Canadian in 1935. Profits for the year were equivalent to only 57 francs a share on the common stock as compared with 111 francs in 1934 and dividends paid of 100 francs a share.

As profits were equivalent to only slightly more than half the dividend requirements, profit and loss surplus shows a sharp reduction.

Shareholders' Position	1935	1934
Rate earned on com.	57 fr.	111 fr.
Divs. paid on com.	100 fr.	100 fr.
Net profits	$384,076	$739,236
P. & L. surplus	285,253	636,025
Creditors' Position	$	$
Debentures	17,527,655	18,748,015
Secured by:		
Liquid assets	4,218,934	4,788,846
Mortgages	38,229,333	40,494,465
Other assets	4,815,528	2,871,816
Total	47,263,795	49,252,760

T. E. Bissell Co.

T. E. Bissell Co., manufacturing farm implements at Elora, Ont., whittled $208 off its accumulated deficit in the year ended May 31, 1936. Improvement in net earnings was devoted largely to increasing depreciation allowance, which normally should be $5,000 to $7,000 annually, according to President H. C. Hatch. Balance sheet changes are of minor importance. The bank loan was reduced $5,100 to $17,300. Mr. Hatch states that sales increased about 18% and that all the increase occurred outside Ontario.

Dividends on the 7% preferred shares are in arrears from May 31, 1930.

Income and Deficit Account Years Ended May 31

	1936 $	1935 $
Net earnings	4,008	1,176
Less: Depreciation ...	3,763	1,000
Income tax	37	24
Net profit	208	152
Previous deficit	26,952	27,104
Deficit forward	26,744	26,952

Working Capital

	1936	1935
Current assets	131,812	134,428
Current liabs.	19,566	24,382
Working capital	112,246	110,046

Anglo Newfoundland

Anglo-Newfoundland Development Co. reports a profit for 1935, after providing for depreciation, depletion, income tax and contingencies, but before directors' fees, of $1,163,755. This figure is somewhat less than the profit of the previous year, reflecting a slightly lower average price for newsprint paper throughout the year.

After charging interest and making provision for debenture stock redemption and charging directors' fees, there remained a net profit of $553,988. On January 15 last, an interim dividend of 2½% was paid on the capital stock then outstanding, absorbing $185,450. In addition the final dividend of 3½% was paid July 15 to shareholders of record July 1, 1936.

The balance sheet reflects an increase in the number of ordinary shares outstanding from 1,471,994 to 1,483,602. This increase represents additional shares issued in respect of options outstanding. Total number of options outstanding at the end of 1935 was 254,480.

Liquid position of the company showed further strengthening, the total cash and investments at the end of 1935 being $467,096 greater than a year ago.

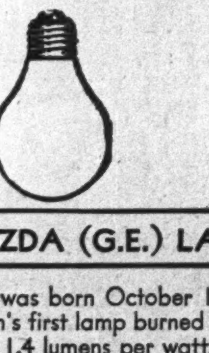
Loblaw Groceterias Co.

Starting its new fiscal year, Loblaw Groceterias Co. reports increased sales and profits for the first 4-week period:

4 Weeks ended June 27:	1936 $	1935 $	Incr. %
Sales	1,272,144	1,180,799	7.7
Profits	53,329	49,978	6.7

Metal Prices

New York—July 21—
Copper: Electrolytic spot and future, $9.50-$9.75.
Silver: 44¾c.
London—July 21—
(Long Ton)—
Copper: Electrolytic spot, bid, £41 17s 6d; asked, £42. Standard spot, £37 13s 9d; future, £37 18s 9d.
Tin: Spot, £189 10s; future, £186.
Lead: Spot, £16 10s; future, £16 10s.
Zinc: Spot, £13 17s 6d; future, £14 2s 6d.
Gold: 138s 9d.
Silver: 19-11-16d.
Canada—July 21—
Gold: $34.91.



EDISON MAZDA (G.E.) LAMPS

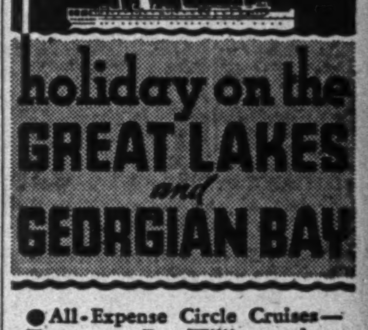
Modern lighting was born October 19, 1879, when Thomas Edison's first lamp burned 40 hours at an efficiency of 1.4 lumens per watt.

On the following New Year's eve, Edison gave an outdoor exhibition of electric incandescent lighting at which thousands marvelled. The final triumph came with the "lighting up" of a whole square mile of offices in lower Manhattan. Electric lighting had become an accomplished fact.

Today the average efficiency of Edison Mazda Lamps is about 16.00 lumens per watt for an average life of 1,000 hours—an increase in efficiency, several thousand per cent over the original "Miracle Lamp," representing saving of many millions of dollars per year.

Edison Mazda Lamps are advertised in

Maclean's
Canada's National Magazine



holiday on the GREAT LAKES and GEORGIAN BAY

● All-Expense Circle Cruises—Toronto to Fort William and return, sailing every Wednesday and Saturday.

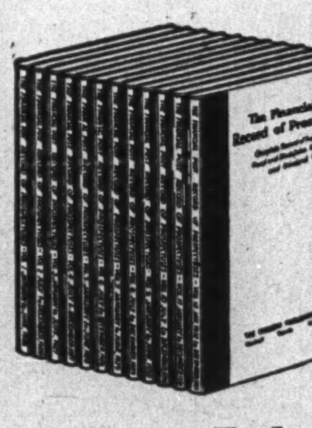
5 ZESTFUL DAYS . $59.00
6 THRILLING DAYS . $63.50

By comfortable parlour car to Port McNicoll : : : then board a stately Canadian Pacific liner for a cruise through beautiful, island-dotted Georgian Bay, picturesque St. Mary's River, Lakes Huron and Superior to Fort William and return. Deck sports : : : dancing : : : excellent meals and cool, airy cabins : : : gay shipboard life on a smooth, inland sea!

Low rate includes rail fare, parlour car chair, meals and berth on steamer, transfers, meals and lodging at first-class hotel at Fort William or Port Arthur.

Full information from any Canadian Pacific Agent, including Mr. G. Bruce Burpee, Canadian Pacific Building, King and Yonge Streets, Toronto.

Canadian Pacific



The Financial Post
RECORD of PROSPECTUSES
Volume 13 — COVERING TWO YEARS Jan. 1, 1934 to Dec. 31, 1935
NOW READY FOR DELIVERY

Volume 13 of The Financial Post Record of Prospectuses, covering all corporate and government financing in Canada in 1934 and 1935, is now ready for distribution.

In addition to giving a summary of all Canadian financing during the past two years, the volume contains a record of bond interest and dividend payments during the period under review and a list of Canadian corporation and government bonds maturing from 1936 to 1942 inclusive. The cumulative index covers some 1,200 prospectuses issued since 1926 and included in the first twelve volumes of the record.

An important new feature of the record is a separate chapter devoted to religious financing, which has recently been of considerable importance. For the most part this consists of the bonds of institutions and communities of the Roman Catholic Church.

Built to Endure

Use the Order Form

SUBSCRIPTION PRICE
Per Volume .... $7.00 each
Five or More Volumes $5.00 each

☐ Volume 1, Jan. to June, 1926.
☐ Volume 2, July to Dec., 1926.
☐ Volume 3, Jan. to June, 1927.
☐ Volume 4, July to Dec., 1927.
☐ Volume 5, Jan. to June, 1928.
☐ Volume 6, July to Dec., 1928.
☐ Volume 7, Jan. to June, 1929.
☐ Volume 8, July to Dec., 1929.
☐ Volume 9, Jan. to June, 1930.
☐ Volume 10, July to Dec., 1930.
☐ Volume 11, Jan. to Dec., 1931.
☐ Volume 12, Jan., 1932, to Dec., 1933.
☐ Volume 13, Jan., 1934, to Dec., 1935.

THE FINANCIAL POST,
481 University Ave., ... 1936
Toronto 2, Canada.

Please send me the copies of The Financial Post Record of Prospectuses I have checked.

I enclose $.................... in payment.

☐ I would like you to send me also each new volume of the Record of Prospectuses, automatically, as soon as published and bill me.

(Check "√" in space provided, if you desire the advantage and convenience of a permanent order.)

Name ....
Firm or Corporation ....
Street Address ....
City 695

STOCK AND BOND MARKET QUOTATIONS

Montreal, Toronto, Curb

This table is confined to official prices for listed stock. Where no recent transaction has taken place on stock exchanges, the latest available bid and asked quotations are given to indicate the current level of prices. For unlisted stocks, for which transactions are not officially recorded, bid and asked quotations by unlisted dealers are published under "Unlisted Stocks" on this page.

(Furnished by Toronto Bond Traders' Assoc.)

WEEK ENDING JULY 20

Range 1936 High	Range 1936 Low	Div R'te $	Jly18 Y'ld %		Sales	Last July 13	Week end. July 20 H	L	Cl'se
				A					
2.50	1.25	.	...	Abitibi	8965	2.00	2.23	2.00	2.00
13	6½	.	...	Do. pref. 6%	813	11⅛	11½	11	11½
12	6½	.	...	Do. cert. dep.	85	12	11½	11	11
4½	4½	.	...	Acadia Sugar	....	(4 bid — asked)			
21	14½	50c	2.5	Acme Glove	....	(2 bid 20 asked)			
100	95	6.50	6.8	Do. pref.	85	96	95	95	95
10	7½	40c	4.4	Agnew Surp.	590	9	9½	9	9
107	102	7	6.6	Do. pref.	62	104	105	104	105
6	3	.	...	Alta. Pac. Gr.	50	4	3½	3	3
30	25	.	...	Do. pref.	110	27½	28½	27½	27½
3	2	.	...	Amal. Electric	....	(— bid 2 asked)			
23	14	.	...	Do. pref.	5	15	15	15	15
40½	29½	15c	...	Amer. Cyn. B.	5	34	34	34	34
55	51½	3.50	6.3	Ang. C. Tel. pf.	26	54½	55	55	55
35½	17½	.	...	Asbestos v. t.	1039	34	35½	33½	35½
15	9½	60c	6.1	Assoc. Brew.	90	9½	9½	9½	9½
110	103	7	6.8	Do. pref.	....	(— bid — asked)			
35	34	.	...	Assoc. T. & T. p.	....	(35 Feb. 12)			
106	105½	7	6.6	Atlan. Sugar, p.	....	(105 bid — asked)			
				B					
58½	51½	2.25	3.4	Bank of Canada	93	58	58½	57	57
140	133	8	5.7	Bk. Can. Nat.	21	137½	138	137½	138
214	182½	8	4.2	Bk. Montreal	354	190	191½	190	191½
300	271	12	4.2	Bk. N. Scotia	27	285	284	283	284
235	220	10	4.5	Bk. Toronto	91	220	220½	220½	220½
13½	11	75c	...	Barcelona	....	(8 bid 10½ asked)			
17½	10½	.	...	Bathurst Pr.	1146	14	14	13½	13½
5½	3	.	...	Do. (B)	25	4	4½	4½	4½
4	1½	.	...	Bawif Grain	415	2	2	2	2
28	24	.	...	Do. pref.	....	(26 bid 30 asked)			
3	2½	.	...	Beath & Sons	....	(2½ bid — asked)			
15	9½	.	...	Beatty Bros. A.	50	11	11	10½	10½
105	96	6	5.9	Do. pref.	....	(100 bid 105 asked)			
3½	1½	.	...	Beauharnois	2995	2½	2½	2½	2½
110	105	4	3.6	Belding Cort.	....	(95 bid 110 asked)			
135	130	7	5.2	Do. pref.	....	(135 bid — asked)			
150	140	6	4	Bell Telephone	682	146½	148	145	147
36	30	1.25	...	Biltmore Hats	....	(35 bid 36 asked)			
110	110	7	6.4	Do. pref.	....	(110 May 10)			
5	3½	.	...	Bissell, T. E.	95	4	4	4	4
50	33	.	...	Do. pref.	....	(35 bid 37 asked)			
5	3½	.	...	Blue Ribbon	100	4	4	4	4
33	27	2	6.5	Do. pref.	25	30½	30½	30½	30½
26½	26	.	...	Brant. Cord new	590	26½	26½	26½	26½
15½	9½	30c	...	Brazilian Tr.	7742	12½	13	12½	12½
1.45	.80	.	...	Brew. & Distil.	2350	.95	1.00	.90	.95
4½	2½	.	...	Brewing Corp.	1108	2½	2½	2½	2½
18½	13½	1.50	10	Do. pref.	121	15½	15½	15	15
9	5	30c	6	Bright, T. G.	....	(5½ bid 6 asked)			
82	80	6	7.5	Do. pref.	....	(80 bid — asked)			
27½	16½	80c	3.1	Brit. Amer. Oil	6225	25	25½	25	25½
13	8½	.	...	B. C. Packers	289	8½	8½	8½	8½
32½	28½	1.50	4.9	B. C. Power (A)	846	29½	30½	30	30
5½	3½	.	...	Do. (B)	44	4½	4	4	4½
16	8½	10c	...	Bruck. S. Mills	800	8½	8½	7½	8½
40½	33	1+25c	3.1	Building Prod.	802	39½	40½	39½	40
25½	20	.	...	Burry Biscuit	100	25½	23½	23	23
54	51	3	5.5	Do. pref.	100	53	54	54	54
47½	37½	2	4.8	Burt, F. N.	130	41	42	41	41
				C					
86½	75	6	7	Calgary Pr.	5	85	75	75	75
6	4½	.	...	Canada Bread	75	5½	5½	5½	5½
97	90	1.25+50c	...	Do. pref. A.	....	(5½ bid 5¾ asked)			
44	30	.	...	Do. pref. (B)	....	(42½ bid 43½ asked)			
10½	6½	40c	...	Canada Bud	810	9	9½	9	9
8	6	.	...	Canada Cement	2069	7	7½	6½	6½
80	58	.	...	Do. pref.	1349	74	80	77	79
70	57	1.50+1	4.1	Can. & D. Sug.	90	59	60	60	60
b16½	10½	.	...	Canada Dry	6100	12½	14½	13½	14
7	3	.	...	Can. Forg. (A)	....	(3 bid — asked)			
2	2	.	...	Do. (B)	....	(2 bid — asked)			
50	40	.	...	Canada Iron	....	(30 bid 50 asked)			
60	60	3	5	Do. pref.	....	(51 bid 60 asked)			
35	30½	1.50+50c	6.2	Can. Malting	865	32	32	31½	32
25½	22½	1.20	5	Can. Nor. Pr.	1140	24½	24½	24	24½
111	107½	7	6.3	Do. pref.	105	111	111	111	111
93	80	3	3.4	Can. Packers	155	85	89	87	89
118	105	.	...	Can. Paper, pf.	....	(110 bid — asked)			
2	1½	.	...	Can. Paving, pf.	....	(1½ bid 2 asked)			
160	137½	8	5.4	Can. Perman.	76	150	149	148	149
3½	1	.	...	Can. Steamsh's.	315	2	2½	2½	2½
15½	6½	.	...	Do. pref.	250	7½	7½	7	7
27½	19½	1.20	5.8	Can. Vinegars	55	21	20½	20½	20½
27½	20½	.	...	Can. W. Cable	....	(29 bid — asked)			
12½	9	.	...	Do. (B)	55	11	12½	11	12½
102½	98½	.	...	Do. pref.	....	(106 bid — asked)			
4	2	.	...	Can. Bakeries	....	(2½ bid 3½ asked)			
57	40	.	...	Do. pref.	7	41	40	40	40
170	148	8	5.2	Can. Bk. Com.	211	152	153	152	152½
41	31	1	2.6	Can. Bronze	135	37	38	37	38
116	101½	5	4.6	Do. pref.	136	106½	107	106½	107
5½	3	.	...	Can. Canners	37	4½	5½	4½	5½
101	88½	6	5.9	Do. 1st pfd.	218	100½	101	100	101
8½	5	.	...	Do. 2nd pfd.	1865	7½	7½	7½	7½
8½	5½	.	...	Can. Car & Fd'y	15745	7½	8½	7½	8½
19½	13	.	...	Do. pref.	9875	18½	19½	18½	19½
31½	25½	40c	...	Can. Celanese	700	29	28½	28	28
128	112	7	5.8	Do. pref.	410	120½	120½	119½	119½
21½	18	.	...	Do. Rights	25	21	21	20	20
30	22½	2	8.2	Can. Convert.	....	(25 bid — asked)			
51	48	4	7.8	Can. Cottons	....	(50½ bid — asked)			
105	97	6	5.9	Do. pref.	....	(100½ bid 105 asked)			
50	37	2+1	6.1	Can. Dredge	1030	49	49	47½	48
100	98½	6	6.1	Can. Fairb., pf.	....	(93 bid — asked)			
34	23½	1.60	5.5	Can. For. Inv.	400	28½	29	28	28
107½	105	8	7.4	Do. pref.	....	(107 bid — asked)			
175	150	5	3.1	Can. Gen. Elec.	....	(155 bid 170 asked)			
8½	7½	40c	...	Can. G. Inv.	....	(7½ bid — asked)			
48	26	.	...	Can. Hyd. El. p.	271	32½	33½	32½	33½
12½	6½	.	...	Can. Ind. Alco.	5865	7½	7½	6½	6½
11½	5	.	...	Do. (B)	671	6½	6½	5	5½
225	221	4+75c	...	Can. Indust. B.	....	(221 May 27)			
4	1	.	...	Can. Int. I. Tr.	....	1.25 bid 2 asked)			
65	35	.	...	Do. pref.	....	(55 bid — asked)			
23	20	1	4.4	Can. Lt. & Pr.	53	20	22½	22	22½
4	2½	.	...	Can. Locomo.	....	(— bid 2½ asked)			
b2½	1½	.	...	Can. Marconi	1458	1½	2	1½	1½
18	12	50c	4	Canadian Oil	....	(13 bid 14 asked)			
130	123	8	6.1	Do. pref.	95	130	130	130	130
15½	10½	.	...	Can. Pacific	15855	12½	13½	12½	13
.15	.10	.	...	C. Pr. & Pa. In.	....	(.25 bid 1.00 asked)			
7	4½	.	...	Do. pref.	....	(6 bid — asked)			
3½	1½	.	...	Can. Vickers	1100	2	3½	2½	3½
25	12	.	...	Do. pref.	....	(— bid — asked)			
26	25	.	...	C. Wallpaper B.	100	25	25½	25	25½
3½	2	.	...	Can. Wineries	385	2½	3	2½	2½
26½	21	1.50	...	Can. Wire Box.	145	25	25	24	25
102½	100	5	4.9	Carnation, pf.	50	101½	101½	101½	101½
4	2½	.	...	Catelli Food	154	4	5	5	5
15	12	38c	...	Do. pref.	25	12½	13	13	13
165	165	8	4.8	Cent. Can. Loan	....	(165 Mar. 7)			
1.60	.85	.	...	Chem. Research	3256	1.14	1.14	1.05	1.10
3.00	1.50	.	...	City Gas & Elec.	10	1.75	1.70	1.70	1.70
.60	.25	.	...	Claude Neon	1250	.40	.40	.40	.40
14½	12½	92c	...	Coast Brew.	447	13	13	12½	12½
7½	4	.	...	Do. Rights	135	7½	7½	7½	7½
9½	5½	.	...	Cockshutt Plow	1830	6½	6½	5½	6½
1.35	.60	.	...	Comm. Alcohol	200	.70	.70	.70	.70
18½	15½	80c	4.7	Cons. Bakeries	241	17½	17½	17	17½
4½	2	.	...	Cons. Paper	18002	4½	5½	4½	4½
9	5	.	...	Cons. Press	....	(5½ bid 6 asked)			
35	33	.	...	Cons. Sand, pf.	....	(31 bid — asked)			
57½	51	50c	...	Cons. Smelters	4023	54	55½	53½	55
205½	189	10	4.9	Consumers' Gas	50	203	203	202	202
90	78	1.75	8.6	Corr. P. Box, pf.	10	81	80	80	80
22½	17½	80c	3.7	Cosmos Imp.	730	21½	22	21½	21½
105	102	5	4.8	Do. pref.	20	105	105	105	105
17	15	80c	4.7	Crown Cork	100	16½	16½	16	16½
21	2	.	...	Crown Dom. Oil	....	(1½ bid 2 asked)			
56	30	3	...	Crow's N. Coal.	35	48½	48½	48½	48½
				D					
4	2	.	...	David & Fre. B.	....	(2½ bid 2½ asked)			
68	40	.	...	Do. A.	....	(— bid .90 asked)			
7	2	.	...	De Havilland	35	4	3½	3½	3½
68	40	.	...	Do. A.	....	(— bid 61½ asked)			
4	4	.	...	Disher Steel	....	(— bid 3½ asked)			
11½	7½	.	...	Do. pref.	....	(8 bid 10 asked)			
34½	18½	.	...	Distill-Seagram	7300	22½	22½	21½	22½
222½	190	10	5	Dom. Bank	15	196	199	195	199
40½	32	1.20	3	Dom. Bridge	3008	39½	40½	39	39½
17½	14	1.50	9.5	Dom. Coal, pf.	413	16½	16½	15½	15½
36	26½	.	...	Dom. Engineer	545	33	34	33	34
41	32	.	...	Dom. Foundries	....	(51 bid — asked)			
115	106	5	4.5	Dom. Glass	211	109	109½	109	109
155	135	7	4.6	Do. pref.	30	150	150	150	150
35½	33	.	...	Dom. Oilcloth	25	34	34	34	34
100	95	7	7.3	Dom. Rubber, p.	....	(90½ bid — asked)			
8	3½	.	...	Dom. St. & C. B.	6940	4½	5½	4½	4½
12	8	.	...	Dom. Stores	110	8½	8½	8½	8½
8½	4½	.	...	Dom. Tar & Ch.	9136	6½	8½	7½	8½
89	57	.	...	Do. pref.	70	85	89	85	89
79	60	5	7.2	Dom. Textile	385	64½	69	67½	68
148	143	7	4.8	Do. pref.	20	144	144	143	144
9½	4½	.	...	Donnacona P. A.	1389	7	7	6½	6½
7½	2½	.	...	Do. (B)	326	6½	6	6	6
7	4½	.	...	Dryden Paper	660	6½	6½	6	6
				E					
2½	1	.	...	East. Koot. Pr.	....	(2½ June 9)			
16	5	.	...	Do. pref.	....	(7 bid 14 asked)			
3½	1½	.	...	East. Dairies	25	1½	2	2	2
16½	10	.	...	Do. pref.	....	(9 bid 12 asked)			
13½	10	.	...	East. Steel	....	(12½ bid 12½ asked)			
101	80	7	6.9	Do. pref.	....	(98½ bid 101 asked)			
85	80	7	8.7	East. Theat., pf.	....	(72½ bid 85 asked)			
3	1½	.	...	Easy Washing	....	(2½ bid 3 asked)			
24	20	62½c	...	Economic Inv.	....	(22 bid 23 asked)			
28½	19½	1.60+10c	...	Electrolux	1230	23	23	22½	22½
3	1	.	...	Enam. & Heat.	....	1.50 bid 3.00 asked			
24	10½	.	...	Eng. Electric	16	19½	19½	19½	19½
12½	4	.	...	Do. (B)	105	8	8	8	8
7	7	.	...	European El. A	....	(2 bid — asked)			
.35	.35	.	...	Do. Warrants	....	(.35 bid — asked)			
				F					
21½	18	.	...	Fam. Players	....	(17 bid 20 asked)			
20	14	.	...	Do. Vot. Tr.	....	(18 bid — asked)			
17½	13½	50c	3.1	Fanny Farmer	2465	14½	15½	14½	15½
28½	18½	75c	3.7	Ford Motors A.	4441	19½	20½	19½	20½
3.00	.65	.	...	For. Pr. Secs.	....	(.80 bid .75 asked)			
18½	13	.	...	Foundation Co.	2237	16½	16½	15½	16
19½	9	.	...	Fraser Cos.	328	16½	18½	15	15
19	8	.	...	Do. Vot. Tr.	3245	15	15	14½	14½
60	55	6	10.5	Freiman, pf.	....	(— bid 57 asked)			
8	2½	.	...	Frost Steel	....	(7 Mar. 27)			
100	89	3.50	...	Do. pref.	50	95½	95½	93½	93½
				G					
5½	3	.	...	Gen. St. Wares	365	3½	4½	3½	4
65	45	.	...	Do. pref.	197	49½	57	48½	57
73	64½	2.50	3.5	Goodyear Tire	45	69½	69½	68½	68½
59	53½	2.50	4.3	Do. pref.	123	57½	58	57½	58
3	1	.	...	Gt. W. Saddlery	....	(1½ bid 1½ asked)			
30	13	.	...	Do. pref.	....	(18 bid 25 asked)			
8½	5½	.	...	Gurd, Chas.	75	6	6½	6	6
100	100	7	7.3	Do. pref.	10	100	95	95	95
8½	5½	.	...	Gypsum, Lime	2202	7½	8	7½	7½
				H					
6½	4	.	...	Ham. Bridge	250	5	5½	4½	5
39½	25½	.	...	Do. pref.	85	37	40	36	36
29½	26½	2	7.1	Ham. Cot., pf.	5	28	28½	28½	28½
1½	1	.	...	Ham. U. Theat.	....	(1½ bid 2 asked)			
53	50	4	7.6	Do. pref.	....	(52½ bid 60 asked)			
4	2½	5c.	...	Harding Carpet	680	3½	3½	3½	3½
9	1½	.	...	Hillcrest Coll.	....	(2½ bid 10 asked)			
16	7	.	...	Do. pref.	....	(— bid 15 asked)			
15½	12	50c	3.8	Hinde & Dauch.	715	12½	13	12½	13
7	6	.	...	Holt Renfrew	....	(4 bid — asked)			
40	30	.	...	Do. pref.	560	40	40	40	40
.70	.40	.	...	Honey Dew	....	(.58 bid .60 asked)			
12	7	.	...	Do. pref.	....	(10 bid 12 asked)			
14½	9½	.	...	H. Smith Pap.	840	13½	14	12½	12½
119	88	1.50	...	Do. pref.	131	91½	95	94	94½
35	29	2	6.8	Humberstone S.	10	30	29	29	29
7½	4½	.	...	Hunts (A)	10	7½	6	6	6
7½	6	.	...	Do. (B)	15	7½	6	6	6
90	70	5	6.9	Huron & E. Mt.	2	70	72	72	72
12½	10	.	...	Do. 20% pd.	20	11	10	10	10
10½	6½	.	...	Hydro Electric	....	(6½ bid 8½ asked)			
				I					
221	197½	10	5	Imperial Bank	84	204	204	197½	200
24½	20½	50+75c	5.9	Imperial Oil	10582	20½	21½	20½	21
14½	13½	52½c	3.7	Imperial Tob.	3453	14	14½	13½	14
7½	7	6%	...	Do. pref.	50	7½	7½	7½	7½
30	19	1	...	Inter. City Bak.	....	(28½ bid 31 asked)			
48	40	4.50	...	Inter'c Coal	....	(10 bid — asked)			
115	115	8	6.9	Do. pref.	....	(115 bid — asked)			
b5½	2½	.	...	Int. Hyd. E. A.	4300	3½	3½	3½	3½
7½	4	.	...	Int. Metal Ind.	125	7½	7½	7	7
49	30	.	...	Do. pref.	305	49	50	49	49
105½	101	5	4.9	Inter. Mill., pf.	243	102½	103	101	101
54	43½	1.20	...	Inter. Nickel	27860	50½	51½	50½	51½
6	2½	.	...	Inter. Paints	....	(2 bid 3 asked)			
29½	15	1.12½▲	...	Do. pref.	....	(15 bid 17 asked)			
b7½	3½	.	...	Int. Pa. & P. A.	4500	6½	6½	5½	6
b4	2½	.	...	Do. (B)	1000	3½	3½	3½	3½
b3½	1½	.	...	Do. (C)	2200	2½	2½	2½	2½
b41½	20½	.	...	Do. pref.	41620	37½	41½	36½	40½
39½	33½	1.50—1	6.9	Inter. Pete.	4904	36½	36½	35½	35½
6	3	.	...	Inter. Power	270	4½	5	4½	5
94	87	6	6.4	Do. pref.	35	93	93½	93	93
15½	13	.	...	Int. St. Rly. A.	....	(30½ bid 15 asked)			
14½	3½	.	...	Int. Util. (A)	90	9½	10	9	10
2.25	.40	.	...	Do. (B)	1109	1.25	1.30	1.20	1.25
				J					
36	33	1.50	4.1	Jam. Pub. Ser.	25	36	35½	35½	35½
127	123½	7	5.5	Do. pref.	....	(— bid — asked)			
				K					
9	6½	.	...	Kelvinator	110	8½	8½	8½	8½
107	105½	7	6.6	Do. pref.	....	(105½ —bid asktd)			
				L					
24	16½	.	...	Lake of Woods	1030	23½	23½	23	23
145	123	1.75	...	Do. pref.	20	145	145	145	145
58	54	5	9.2	Landed Bank	....	(55 bid 82 asked)			
4	3	.	...	Langley's	....	(4 June 25)			
50	35	.	...	Do. pref.	25	50	50	50	50
70	64½	3	4.3	Laura Secord	55	69½	70	69½	70
4	2	.	...	Lindsay, C. W.	60	4	3½	3½	3½
55	40	.	...	Do. pref.	45	50	55	55	55
21½	18½	1	4.7	Loblaw (A)	2973	20½	21	20½	21
19	17½	1	5.3	Do. (B)	620	18½	18½	18½	18½
				M					
4	4	.	...	Manitoba Pr.	....	1.85 bid 3.00 asked			
.50	.50	.	...	M. L. Gardens	....	1.45 bid 1.65 asked			
4	2½	.	...	Do. pref.	....	(3½ bid 4 asked)			
2.25	1.00	.	...	Maple Leaf	308	1.65	1.70	1.65	1.70
5½	2	.	...	Do. pref.	5	3½	3½	3½	3½
*12½	12	60c	...	Maritime Tel.	....	(13½ bid — asked)			
15	15	70c	4.7	Do. pref.	....	(14½ bid — asked)			
18	18	.	...	Marcus Loew's	....	(14½ bid 18 asked)			
115	111	7	...	Do. pref.	....	(116 bid 119 asked)			
7½	4½	.	...	Massey-Harris	5425	5	5½	4½	4½
40	29½	.	...	Do. pref.	870	32	32½	32	32½
17½	12½	80c	5.4	McColl Fron.	2064	15	14½	14½	14½
105	96½	6	5.8	Do. pref.	262	102½	103	102	102½
13½	9	.	...	Melchers (A)	495	10½	11½	10½	11
9	3½	.	...	Do. (B)	55	3½	3½	3½	3½
13½	9	.	...	Mercury Mills, p	20	13	13	10	10
38	30	1	...	Mitchell, J. S.	....	(36 bid — asked)			
110	110	7	6.3	Do. pref.	....	(110 bid — asked)			
8	5½	.	...	Mitchell, Robt.	180	6½	6½	6	6
5	1	.	...	Monarch, Knit.	....	(— bid — asked)			
90	85	7	8.2	Do. pref.	15	86	85	85	85
35	26	.	...	Montreal Cot.	15	32	34	34	34
100	85	7	7.5	Do. pref.	51	94	93	93	93
2½	1	.	...	Mont. Is. Pr.	....	(2 bid 4 asked)			
34	30	1.50	4.7	Mont. L. & Pr.	3356	30½	31½	30½	31½
26	26	2	7.6	Montreal Loan	30	26	26	26	26
9	9	.	...	Mtl. Ref. & S.P.	....	(9 bid 11 asked)			
2	2	.	...	Do. Vot. Tr.	....	(2 bid 3 asked)			
60	55½	3.20	5.7	Montreal Tele.	5	56	56½	56½	56½
103	85	9	9.6	Montreal Trams	47	94	93½	93	93
39	27½	1	2.5	Moore Corp.	850	38½	39	38	38½
166	146	7	4.2	Do. pref. (A)	....	(166½ bid 175 asked)			
230	175	7	3	Do. pref. (B)	....	(227 bid — asked)			
1.00	.25	.	...	Muirheads	....	(40 bid 90 asked)			
3½	3	.	...	Do. pref.	....	(— bid 6 asked)			
				N					
45	37	2	4.4	Nat. Breweries	907	45	45	44½	45
43	39½	1.75	4	Do. pref.	11	43	43	43	43
7½	5	.	...	Nat. Grocers	495	5½	6	5½	5½
136	130	7	5.1	Do. pref.	....	(— bid — asked)			
20	16½	.	...	N. Sew. Pipe A.	25	17½	17½	17½	17½
17½	13	.	...	Nat. Steel Car	2570	16	17½	15½	17½
210	196	8	3.8	National Tr.	....	(203 bid 215 asked)			
60	34	75c	...	Niag. W. Weav.	30	60	60	60	60
61	56	3	5	Do. pref.	....	(— bid — asked)			
30	29½	.	...	Do. new	125	..	30	29½	29½
1.75	.90	.	...	North Star Oil	....	1.25 bid 1.60 asked			
4.10	3.15	8½c▲	...	Do. pref.	....	3.20 bid 3.50 asked			
84½	61	3	3.6	N. S. L. & Pr.	....	(— bid 85 asked)			
102½	100½	6	5.9	Do. pref.	....	(101½ bid — asked)			
				O					
240	199½	8	3.8	Ogilvie Flour	45	210	215	210	210
165	152	7	4.2	Do. pref.	285	161	165	165	165
10	5½	.	...	Ont. Eq. 10% pd.	100	5½	6	6	6
119	109	6	5.2	Ontario Loan	4	119	115	115	115
14½	7	.	...	Ont. Silknit	....	(— bid 10 asked)			
90	75	7	8.7	Do. pref.	5	80	75	75	75
8	6	.	...	Ont. Steel	25	6	6	6	6
95	74	.	...	Do. pref.	5	75	95	95	95
.40	.25	.	...	Orange Crush	450	.30	.35	.35	.35
26	6	.	...	Do. 1st pref.	35	21	26	21	26
1.35	.40	.	...	Do. 2nd pref.	30	1.35	.75	.75	.75
96½	88	6	6.2	Ott. L. H. & Pr.	8	96	96½	96½	96½
110	101½	6.50	6.1	Do. pref.	12	107	106	106	106
21	15	2	12.1	Ott. Traction	235	17	18	18	18
				P					
95	78½	3	3.3	Page Hersey	345	90	90	89	89½
6½	3½	.	...	Pantepec Oil	1050	5½	6	5½	5½
25	18	.	...	Paton Mfg.	....	(— bid 25 asked)			
100	100	7	7	Do. pref.	....	(100 bid — asked)			
57	48	3	5.6	Penmans	122	52	53	51½	53
125	118	6	4.8	Do. pref.	10	125	125	125	125
27	21½	1	4.4	Photo Eng.	90	22½	22½	22½	22½
97	83½	7	8.4	Porto Rico Pr. p	10	82	84	84	84
18½	11½	.	...	Power Corp.	862	14½	14	13½	13½
101	97½	6	6	Do. pref.	435	99	99	99	99
2½	1½	.	...	Prairie C. Oil.	....	(— bid 1½ asked)			
29½	19	87½+12½c	...	Pressed Metals	245	27	26½	25½	25½
6½	2½	.	...	Price Bros.	1950	4½	5	4½	4½
40½	22	.	...	Do. pref.	2950	40½	43	40	40
				Q					
18	14	1	6.2	Quebec Power	940	16	16	15½	16
				R					
*58	40	2	...	Real Estate L'n.	....	(— bid 48 asked)			
6½	4½	.	...	Regent Knit.	2254	4½	6½	4½	6½
18½	12½	.	...	Do. pref.	475	15	18½	15½	18½
10	6	.	...	Reliance Grain	....	(4½ bid 6 asked)			
21½	19½	.	...	Remington R'd	100	19½	19½	19½	19½
31	29	2	6.7	River. S. Mills	....	(29½ bid 30 asked)			
6½	4	.	...	Rogers Majest.	930	4½	4½	4½	4½
104	95½	6	6	Rolland P., pf.	80	100½	100½	99½	100
182	164	8	4.7	Royal Bank	236	169	169	167	169
35	30	.	...	Russell Motor	....	(45 bid — asked)			
116	100	7+1▲	6.2	Do. pref.	65	112	116	112½	112½
				S					
11	6	.	...	Sarnia Br. (A)	15	7	6½	6½	6½
3	1½	.	...	Do. (B)	75	2	2	2	2
23½	18½	60c	3	Shawinigan	2300	19½	19½	19	19½
20	16	.	...	Sher. Wms.	35	18	18	17	17½
127½	115	7	6	Do. pref.	2	115	115	115	115
12	9½	.	...	Simon & Son	25	9½	9½	9½	9½
93	85	7▲	...	Do. pref.	20	90	90	90	90
80	72½	4	5.5	Simpson, Ltd.	20	73	73½	72½	72½
12	10½	.	...	Do. (A)	....	(— bid 10 asked)			
9	4	.	...	Do. (B)	....	(7 bid 7½ asked)			
117½	111½	6	5.1	Simpson, R., pf.	25	112	117	117	117
14	11	80c	6.6	So. Can. Pr.	186	12	12	11½	11½
101	98	6	6	Do. pref.	49	100½	100½	100	100
3.12	1.50	.	...	St. Law. Corp.	4925	3.12	3.12	2.60	2.75
14½	8	.	...	Do. (A)	1240	14	14	13	13½
51	40	2	3.9	St. Law. Flour	....	(51 bid 55 asked)			
130	120	7	5.4	Do. pref.	....	(130 June 20)			
37	20½	.	...	St. Law. Pap. p.	960	36½	36½	34½	34½
10	6½	.	...	Stand. Chem.	....	(7 bid 8½ asked)			
2	2	.	...	Stand. Clay	....	(2 Mar. 28)			
3.75	1.15	.	...	St. Pav. & Mat.	200	2.00	2.25	2.12	2.25
22	12	.	...	Do. pref.	40	15½	20	16	18
40	20	.	...	Stand. Steel, pf.	5	40	39	39	39
67½	57	1.75‡	2.6	Steel of Can.	1579	64½	66½	64	66½
60½	49½	1.75	2.9	Do. pref.	1115	59½	60½	59½	60½
4	3	.	...	Sterling Coal	....	(3 bid 4 asked)			
2½	1	.	...	Stop & Shop	40	1	1	1	1
2½	2	.	...	Supersilk H.	....	(2½ bid 3½ asked)			
72	69	3.50	...	Do. pref.	....	(66 bid 70 asked)			
38	30	1	2.8	Sup. Pete. ord.	160	35	35½	34½	35½
35	32	1	3	Do. com.	14	35	33½	33	33½
				T					
40	32½	.	...	Tamblyn	....	(37 bid 40 asked)			
114	110	7	6.2	Do. pref.	....	(112 bid 114 asked)			
5	1½	.	...	Thayers	....	(1 bid 2 asked)			
37	28	.	...	Do. pref.	....	(18½ bid 26 asked)			
3	1½	.	...	Thrift Stores	....	(— bid 2 asked)			
10	5	.	...	Do. pref.	45	8½	9	9	9
11	8½	.	...	Tip Top Tailors	45	8½	8½	8½	8½
106	102	7	6.6	Do. pref.	....	(105 bid — asked)			
1	1	.	...	Tooke Bros.	....	(1 bid 3 asked)			
22	10½	.	...	Do. pref.	....	(11 June 30)			
40	34	1	2.8	Tor. Elevators	....	(35½ bid 38 asked)			
119	109	7	6.1	Do. pref.	45	115	115	112	112
95	84	4	4.7	Tor. Gen. Tr.	....	(84 bid 84 asked)			
120	115	6	5	Toronto Mtge.	....	(121 bid — asked)			
155	150	7	4.6	Tuckett Tob. pf.	....	(150 bid 160 asked)			
12½	8	.	...	Twin City	....	(8½ bid 12 asked)			
				U					
14½	9	10c	...	Union Gas	5738	12½	14½	12½	14½
25	15	30c	...	Un. Amuse. (A)	....	(18 bid — asked)			
.95	.50	.	...	United Distill.	304	.70	.75	.75	.75
29	20	.	...	United Fuel, pf.	760	23½	27½	23½	26½
28½	20	2	7	United Secs.	25	25	28½	28½	28½
4½	2½	.	...	United Steel	4320	2½	3½	2½	3
				V					
3½	1½	.	...	Viau Biscuit	10	2	1½	1½	1½
38	18	.	...	Do. pref.	....	(31 bid 39 asked)			
				W					
31½	20	.	...	Wabasso Cot.	360	20	25	21½	25
34½	28½	2	5.9	Walker-Good.	4750	33½	33½	33	33½
19	17	1	5.5	Do. pref.	1466	18	18	17½	18
3½	2	.	...	Walkerville Br.	1465	2½	2½	2½	2½
2.25	1.00	.	...	Waterloo Mfg.	250	1.30	1.25	1.00	1.10
10	4½	.	...	West. C. Flour	....	(5½ bid 6½ asked)			
65	36	.	...	Do. pref.	91	45	46½	45	45
52	46½	2	4	West. Grocers	....	(50 bid — asked)			
110½	106	7	6.4	Do. pref.	....	(108 bid — asked)			
17½	13½	80c	5.6	Weston Ltd.	1760	14½	14½	14½	14½
102	98	5	5	Do. pref.	34	100	100½	99½	99½
1.15	1.15	.	...	Windsor Hotel	100	1.15	1.00	1.00	1.00
4½	4	.	...	Do. pref.	....	(5 bid 6 asked)			
4½	2½	.	...	Winnipeg Elec.	210	2½	3½	2½	2½
18	10	.	...	Do. pref.	10	13	11	10	10
53	38	.	...	Wood, A. & J. p	....	(— bid 50 asked)			
67½	50	.	...	Woods Mfg., pf.	80	57	60	58	60
				Z					
4	2½	.	...	Zimmerknit, c.	50	4	4	4	4
69	60	3.50▲	...	Do. pref.	....	(65 bid 85 asked)			

* Quotations for 1935. No sales recorded in 1936 to date.
▲ On account of arrears.
b New York quotations.
‡ Plus extra of $1.42½ paid Feb. 1, 1936.

Government Bonds

(Furnished by Toronto Bond Traders' Assoc.)

Dominion of Canada Bonds

July 22, 1936

			Bid July 22	Asked July 22	Approx. Yield	Bid July 15
††Dominion	5	1 Mar. 1937	102.60	103.00	...	102.65
‡Dominion	5½	1 Dec. 1937	106.40	106.90	...	106.60
Dominion	2½	15 Oct. 1939	103.65	104.15	1.20	103.50
Dominion	4	15 Oct. 1939	108.25	108.75	1.25	108.00
Dominion	2	15 Nov. 1939	102.35	102.85	1.13	102.00
Dominion	1½	1 June 1940	100.50	101.00	1.27	100.25
Dominion	4½	1 Sept. 1940	110.75	111.25	1.67	110.70
Dominion	5	15 Nov. 1941	114.75	115.25	1.98	114.75
Dominion	3	15 Oct. 1942	105.60	106.10	1.97	105.60
Dominion	2½	1 June 1943	103.25	103.75	1.91	103.00
Dominion	5	15 Oct. 1943	115.75	116.25	2.54	115.85
Dominion	4½	15 Oct. 1944	114.00	114.50	2.54	113.85
■Dominion	2½	15 Aug. '43-45	99.35	99.85	2.52	99.60
Dominion	4	15 Oct. '43-45	109.85	110.35	2.45▲	109.75
Dominion	4½	1 Feb. 1946	114.00	114.50	2.77	113.85
Dominion	3½	15 Oct. '44-49	105.75	106.25	2.64▲	105.65
Dominion	4	15 Oct. '47-52	108.85	109.35	3.02▲	108.75
Dominion	3	1 June '50-55	101.00	101.50	2.87▲	100.75
Dominion	4½	1 Nov. '46-56	111.85	112.35	3.11▲	111.65
Dominion	4½	1 Nov. '47-57	111.85	112.35	3.21▲	111.65
Dominion	4½	1 Nov. '48-58	112.25	112.75	3.25▲	112.25
Dominion	4½	1 Nov. '49-59	112.40	112.90	3.31▲	112.45
■Dominion	3¼	15 Jan. '56-61	101.35	101.85	3.14▲	101.75
Dominion	3¼	1 June '56-66	101.65	102.15	3.10▲	101.40
Dominion Guaranteed Bonds						
*G. T. P. Ry.	3	1 Jan. 1962	101.25	102.25	2.87	100.50
Can. N. Ry.	3	1 May 1944	104.25	105.25	2.26	104.00
Can. N. Ry.	3	15 Dec. '45-50	100.75	101.75	2.79▲	100.50
Can. N. Ry.	3	15 Feb. '48-53	100.25	101.25	2.86▲	100.00
*Can. N. Ry.	4½	1 Sept. 1951	115.50	116.50	3.37	115.75
*Can. N. Ry.	4½	1 Feb. 1956	115.25	110.50	3.18	115.50
†Can. N. Ry.	4½	1 July 1957	113.75	114.75	3.61	114.00
*Can. N. Ry.	4¾	15 June 1955	117.75	118.75	3.40	117.75
Can. N. Ry.	5	1 Feb. 1954	117.75	118.75	3.58	117.75
*Can. N. Ry.	5	1 July 1969	117.75	118.75	2.92▲	118.00
*Can. N. Ry.	5	1 Oct. 1969	119.75	120.75	3.38▲	120.00
*M. Harb. C.	5	1 Nov. 1969	120.00	121.00	3.36▲	120.25
Provincial Government Bonds						
Eastern—						
N. Bruns.	4	1 Sept. 1954	104.50	105.50	3.59	104.50
†N. Bruns.	4½	15 Apr. 1961	110.50	111.50	3.78	110.50
†N. Bruns.	5	15 Jan. 1960	115.25	116.25	3.94	115.25
N. Scotia	3	2 Sept. 1945	99.50	100.50	2.94	99.50
N. Scotia	4½	15 May 1943	108.50	109.50	2.97	108.00
†N. Scotia	4½	15 Sept. '47-52	110.25	111.25	3.32▲	110.25
†N. Scotia	5	1 Mar. 1960	117.75	118.75	3.80	117.50
*Ontario	4	1 June 1962	107.00	108.50	3.50	107.00
*Ontario	4½	1 Sept. 1944	112.25	113.25	2.60	112.25
Ontario	4½	1 June 1950	111.50	112.50	3.37	111.50
*Ontario	4½	15 Jan. 1962	114.00	115.50	3.58	114.00
Ontario	5	15 Oct. 1948	116.50	116.50	3.35	115.50
*Ontario	5	2 Dec. 1960	121.50	122.50	2.61	121.00
Ontario	5½	1 July 1946	116.75	117.75	3.39	116.75
O. H. C.	3½-4-5	1 Oct. '36-52	101.25	102.25	4.29•	101.50
Ont. Hyd. C.	4½	1 Jan. 1970	115.50	117.00	3.85	115.50
P. E. I.	3	1 Oct. 1945	99.50	100.50	2.94	99.50
Quebec	4	15 Mar. 1962	107.50	108.50	3.31	107.25
Quebec	4½	1 Aug. 1958	110.50	111.25	3.52	110.25
Quebec	4½	2 Jan. 1963	112.25	113.25	3.73	111.50
Western—						
Alberta	4	15 Dec. '49-54	62.00	66.00	...	63.00
†Alberta	4	1 Dec. 1957	62.00	66.00	...	63.00
Alberta	4½	1 Oct. 1951	70.00	75.00	...	70.00
†Alberta	4½	1 Oct. 1956	63.00	67.00	...	64.00
†Alberta	5	1 Jan. 1946	65.00	69.00	...	66.00
Alberta	5	1 Sept. 1955	65.00	69.00	...	66.00
*Alberta	5	1 Oct. 1959	65.00	69.00	...	66.00
†Alberta	5½	1 Jan. 1947	67.00	70.00	...	67.00
Alberta	6	1 Mar. 1947	68.00	72.00	...	68.00
†Brit. Col.	4	1 Dec. 1957	83.00	87.00	4.99	83.00
*Brit. Col.	4½	15 Jan. 1951	90.00	92.00	5.28	89.00
†Brit. Col.	4½	1 Oct. 1953	89.00	91.00	5.29	88.00
†Brit. Col.	5	15 Jan. 1948	93.00	94.50	5.64	92.50
Brit. Col.	5	1 Sept. 1953	92.00	94.00	5.54	92.00
Brit. Col.	5½	1 Feb. 1945	93.00	95.00	6.26	93.00
Brit. Col.	6	15 Feb. 1947	96.00	97.50	6.32	95.50
Manitoba	4	2 Jan. 1950	92.00	94.00	4.58	92.00
†Manitoba	4	1 Dec. 1957	92.50	94.50	4.41	93.00
†Manitoba	4½	15 Dec. 1956	97.25	98.25	4.64	97.50
†Manitoba	5	15 June 1954	101.00	103.00	4.75	100.00
*Manitoba	5	2 Dec. 1959	104.00	107.00	4.52	104.00
Manitoba	5½	1 Oct. 1955	100.50	102.00	5.33	101.00
Manitoba	6	1 Apr. 1947	101.00	103.00	5.63	101.00
Sask.	4	15 Aug. 1953	77.00	80.00	5.84	78.00
Sask.	4	1 Nov. '55-60	77.00	79.00	5.82	77.00
*Sask.	4½	2 July 1945	89.00	92.00	5.65	90.00
†Sask.	4½	1 Oct. 1951	87.00	89.00	5.57	88.50
†Sask.	4½	15 Mar. 1960	84.00	86.00	5.56	86.00
Sask.	5	1 Aug. 1958	86.00	88.00	5.99	88.00
†Sask.	5½	15 Nov. 1946	89.00	92.00	6.61	90.00
Sask.	5½	1 Oct. 1952	89.00	91.00	6.39	90.00
Sask.	6	15 Mar. 1952	94.00	96.00	6.41	93.00
Municipal Bonds						
†Halifax	5	1 July 1961	113.50	115.00	4.04	113.50
Hamilton	5	1 May 1950	109.75	111.75	3.90	109.75
Montreal	5	1 Mar. 1945	101.00	102.50	4.69	100.50
Ottawa	4½	1 July 1945	110.50	112.50	2.91	110.50
†Quebec	5	1 June 1959	107.00	108.50	4.41	107.00
St. John	5	15 Dec. 1950	108.00	109.50	4.13	108.00
†Toronto	4½	1 Jan. 1955	112.50	114.50	3.45	112.50
Winnipeg	5	1 Mar. 1944	100.00	103.00	4.53	100.00

*Payable Can., N.Y. & £. ▲Calculated to call date giving lowest possible yield. †Payable Can. & N.Y. •Calculated to maturity although callable prior to that date. ‡Exempt from Dominion income tax. ■Payable in N.Y. ‡Traded flat.

Mining Stock Quotations

WEEK ENDED JULY 20, 1936

Par Val.	Range 1936 High	Low	Company	Sales	Close July 13 (or last)	High for week	Low for week	Close July 20
.	.12	.04	Afton	417,000	.04½	.09½	.05	.09½
No	.24	.07	Aldermac	99,401	.23½	.23½	.21	.23½
1	.04½	.01½	Alexandria	23,700	.03	.03	.02½	.02½
No	.12½	.03½	Algoma	22,000	.08	.08	.07	.07½
No	5.55	4.10	Anglo-Huronian	950	5.20	5.50	5.30	5.40
1	1.60	1.15	Argosy	5,935	1.55	1.55	1.47	1.55
1	.97	.65	Arntfield	3,165	.82	.83	.70	.70
No	.12	.02	Arno	3,200	.05	.05½	.05	.05½
1	.30	.06½	Ashley	132,200	.27	.28	.15	.15½
1	.06½	.02½	Astoria Rouyn	16,000	.04½	.05	.04	.04½
1	.11½	.05½	Bagamac	37,000	.07½	.08	.07½	.08
1	.10	.03½	Barry Hollinger	28,150	.05	.05	.04½	.04½
1	.40	.14	Base Metals	23,600	.15	.21	.16½	.20
1	.65	.28	B.E.A.R.	20,350	.57	.64	.52	.54
No	1.84	1.20	Beattie Gold	17,086	1.35	1.38	1.32	1.37
1	.47	.30	Beaufor Gold	20,700	.37	.39½	.37	.39
1	2.00	1.62	Bidgood Kirk	57,915	1.80	1.83	1.62	1.75
1	.76	.50	Big Missouri	14,180	.63	.63	.60	.60
1	.25	.13	Bobjo	71,714	.22½	.24	.21	.23
No	8.60	5.55	Bralorne	1,370	8.00	7.90	7.75	7.75
1	.40	.15	Brazil Gold	......	(.12½ bid .22 asked)			
1	.13	.02	Brett Trethewey	19,650	.09	.09	.07	.08½
50c.	.25½	.09	Bridge River Ex.	20,900	.15	.17	.16	.17
1	.05	.01	Brownlee	17,100	.02½	.02½	.02	.02½
1	8.95	3.80	Buffalo Ankerite	4,256	8.35	8.65	8.50	8.65
No	.13	.02	Buffalo Can.	8,185	.07	.07	.06	.06½
5	37.00	30.00	Bulolo Gold	460	31.25	31.50	31.00	31.00
.	.13	.09½	Do., warrants	220	.09½	.10	.09½	.10
No	.18	.06	Bunker Hill	5,600	.13½	.13	.12	.13
No	1.45	.95½	Can. Malartic	14,750	1.11	1.20	1.15	1.19
1	.20	.19	Capital Rouyn	......	(.19 June 11)			
1	1.80	1.15	Cariboo Gold	1,300	1.79	1.80	1.75	1.75
1	.15	.02	Cartier Malartic	301,100	.11	.15	.10½	.10½
1	1.69	1.24	Castle Trethewey	6,564	1.36	1.45	1.25	1.34
1	.58	.11½	Cen. Manitoba	526,450	.51	.58	.42	.48
1	4.60	2.41	Cen. Patricia	35,890	3.95	4.60	3.90	4.40
.	.59	.50	Cen. Porc.	17,800	.....	.59	.50	.50½
.	2.15	2.07	Chromium	14,325	.....	2.15	2.07	2.15
No	.09½	.03½	Church M. & Mill	15,600	.05½	.07	.06	.06
No	.14	.03	Clericy	42,900	.07	.07½	.07	.07½
5	4.50	2.25	Coast Copper	560	2.25	3.25	2.25	3.25
1	.03½	.01½	Cobalt Contact	500	.02½	.02	.02	.02
5	4.25	2.80	Coniagas	365	3.35	3.50	3.50	3.50
No	2.75	1.80	Coniaurum	1,965	2.29	2.20	2.10	2.20
1	2.30	1.10	Can. Chibougamau	10,334	1.60	1.70	1.60	1.66
25	57.75	51.00	Cons. Smelters	2,911	54.00	55.75	53.75	55.25
No	61.25	41.75	Dome Mines	2,111	53.75	54.00	53.50	53.75
1	.07	.04½	Dom. Explorers	......	(.05 bid .06 asked)			
1	.10½	.04	Duparquet	7,500	.05	.05½	.05	.05½
1	.78½	.52	East Malartic	172,590	.68	.78½	.66	.77
1	1.38	.85	Eldorado	15,810	.94	.92	.85	.91
No	9.50	6.90	Falconbridge	17,426	8.95	9.50	8.98	9.25
1	.10	.03	Federal	88,500	.08½	.08½	.08	.08½
No	.44	.10	Francoeur Gold	32,260	.12	.12	.10	.10
1	.40	.34	Glenora	73,200	.35½	.40	.34	.38
No	1.45	.75	God's Lake	21,890	1.15	1.18	1.11	1.12
1	.49	.14½	Goldale	31,100	.35	.39	.33	.39
50c.	.56	.30	Gold Belt	2,500	.34	.32	.31	.31
1	.26½	.06	Goodfish	30,400	.16½	.16½	.16	.16
1	.20	.03	Graham Bosquet	46,350	.18	.19½	.18	.18
1	.40	.17	Granada Gold	25,281	.25	.35½	.24	.32
No	.14	.05½	Grandora	8,750	.13	.14	.12	.12
1	.73	.21	Greene Stabell	36,250	.54	.55	.50	.50
1	.09	.04	Grozelle	8,600	.06	.07	.05½	.06
1	.12	.08	Grull Wihksne	......	(.09 bid .12 asked)			
1	1.20	.75	Gunnar Gold	14,500	1.10	1.12	1.05	1.10
1	.10½	.02	Halcrow Swayze	21,600	.07½	.08	.07	.07
1	3.20	.30	Hard Rock	303,813	2.50	3.00	2.42	3.00
1	.18½	.07	Harker	102,350	.12½	.16	.12½	.16
5	17.25	13.50	Hollinger	7,405	15.50	15.75	15.15	15.25
1	1.00	.55	Howey Gold	98,650	.78	1.00	.79	.85
No	28.25	22.87	Hudson Bay	3,633	24.50	25.60	24.00	25.25
1	14.25	11.00	Inter. Mining	......	(11.00 Apr. 28)			
1	4.50	4.10	Do., Pur. Warr.	......	(3.20 bid 3.55 asked)			
No	54.00	43.50	Int. Nickel	245,491	50.12	51.60	50.00	51.25
1	.70	.28½	J. M. Cons. Gold	70,860	.61	.65	.60	.62
1	.65	.40	Kerr Lake	110	.60	.60	.55	.55
1	1.27	.30	Kirk. Hud. Bay	3,400	.90	.95	.90	.95
1	.94	.40	Kirkland Lake	65,046	.58	.69	.58	.64
.	.12	.03½	Kirk. Prem.	......	(.10 June 27)			
1	.31	.14½	Kirk. Townsite	3,220	.22	.22	.21	.21
No	.21	.03	Lake Maron	237,550	.15	.15½	.13	.15
1	60.00	51.75	Lake Shore	1,525	58.75	59.25	58.25	59.25
1	.45	.05	Lamaque Contact	244,300	.39½	.45	.39	.44½
1	1.38	1.03	Lava Cap	14,700	1.10	1.10	1.03	1.03
1	.29½	.12	Lebel Oro	34,931	.22	.23	.20½	.20½
1	.06½	.02½	Lee Gold	27,000	.04	.04½	.04	.04
No	7.75	5.90	Little Long Lac	14,205	6.25	6.30	5.90	6.00
1	4.90	3.12	Macassa	25,230	4.40	4.70	4.40	4.60
1	.07	.01½	Malrobie	123,600	.05½	.05½	.05	.05
No	.33	.12	Mandy	14,000	.30	.33	.30	.32
No	.25	.05½	Man. & Eastern	68,900	.23	.23	.21	.21
1	.26	.05½	Maple Leaf	8,150	.23	.23	.20	.20
5	42.25	40.00	McIntyre	2,775	42.00	42.25	41.75	42.00
1	2.25	1.22	McKenzie R. L.	210,905	2.18	2.23	1.97	2.12
1	.65	.45	McKinley	......	(.63 bid .67 asked)			
No	5.00	3.50	McLeod Cockshutt	21,930	4.00	3.95	3.75	3.90
1	.14	.02	McMillan	51,200	.06½	.07	.06	.06½
No	1.78	1.19	McWatters	19,325	1.48	1.51	1.40	1.42
1	.42	.21	McVittie	17,200	.22	.22	.20	.20
5	1.50	.50	Mentor Exp. & Dev.	......	(.... bid 2.00 asked)			
No	1.50	1.10	Mining Corp.	29,300	1.35	1.35	1.30	1.35
No	1.00	.07½	Minto Mines	2,200	.70	.73	.65	.73
1	.16	.06	Moffatt Hall	14,700	.09½	.10½	.09	.09½
1	.80	.51	Morris Kirk	26,500	.65	.64	.56	.60
1	.33	.06½	Moneta	25,100	.21½	.23	.21	.21
1	.07½	.00½	Murphy	53,300	.04½	.05	.04	.04½
No	.04½	.02	Newbec	40,600	.03½	.04	.03	.03½
.	1.30	1.15	New Golden Rose	3,800	1.20	1.20	1.15	1.16
1	.06½	.01½	Night-Hawk Penn.	7,100	.03	.03½	.03½	.03½
5	3.05	2.30	Nipissing	7,955	2.40	2.60	2.35	2.60
No	63.25	44.50	Noranda	15,354	57.50	63.25	58.00	63.25
No	.63	.28½	Nor. Canada	2,101	.53	.55½	.55	.55
1	4.70	.34	O'Brien	415,460	3.00	4.70	3.00	4.55
1	.80	.40	Omega	28,115	.64	.63	.60	.62
1	.18	.07	Osisko	4,000	.15	.14½	.13	.13
No	5.20	3.50	Pamour	18,757	4.50	4.70	4.30	4.70
1	.31½	.18	Parkhill	33,190	.24	.25	.23½	.25
1	.11	.02½	Pawnee Kirk	17,895	.08	.08	.07	.07
1	1.20	.50½	Paymaster	48,215	1.02	1.06	1.00	1.02
1	1.20	.65	Pend. Oreille	14,005	.65	.86	.70	.84½
1	1.75	1.12	Perron Gold	14,890	1.36	1.36	1.30	1.30
1	.04½	.02	Peterson Cobalt	8,000	.02½	.02½	.02½	.02½
1	6.00	3.45	Pickle Crow	19,772	6.40	6.45	6.20	6.30
1	12.00	8.15	Pioneer Gold B.C.	5,095	8.25	8.40	8.00	8.25
1	.15	.04	Porcupine Crown	315,600	.09	.12½	.08	.12
1	2.56	1.80	Premier Gold	11,490	2.45	2.56	2.45	2.46
1	2.25	1.75	Preston E. Dome	106,290	2.05	2.10	1.75	1.80
No	3.25	2.10	Prospectors Air's	1,300	2.25	2.30	2.10	2.10
1	1.40	.70	Quebec Gold	6,400	.70	.70	.70	.70
No	.07½	.02	Quemont	......	(.05½ bid .09 asked)			
1	4.35	1.43	Read Authier	139,425	3.00	4.35	2.95	4.15
1	2.15	.50	Red Lake	159,130	2.05	2.16	1.95	2.10
1	1.35	1.00	Reno Gold	5,975	1.28	1.30	1.25	1.28
1	.13½	.01	Ritchie	4,850	.09	.09½	.08½	.08½
1	.09	.04	Robb Montbray	44,500	.05½	.06½	.05½	.06
1	.32	.05½	Roche Long Lac	63,100	.25½	.27½	.23	.27
1	3.45	2.16	San Antonio	10,774	2.33	2.30	2.20	2.30
1	1.15	.75	Shawkey	85,810	.86	.89	.80	.85½
50c.	.86	.56	Sheep Creek	1,500	.70	.80	.70	.71
1	1.40	1.00	Sherritt Gordon	74,016	1.05	1.35	1.02	1.34
1	4.05	2.88	Siscoe	75,275	3.81	4.05	3.78	3.98
1	.64	.42½	Sladen Malartic	72,275	.64	.63	.56	.61
1	6.25	4.40	South Amer. Gold	......	(4.65 June 4)			
No	.08½	.03½	South Tiblemont	24,850	.05½	.07	.05½	.05½
No	.49½	.18½	Stadacona	53,175	.47	.47	.45½	.46
1	.38½	.18	St. Anthony	4,500	.26½	.29	.26	.27½
No	4.95	3.00	Sudbury Basin	10,225	4.30	4.75	4.30	4.65
1	.20	.06	Sudbury Contact	49,700	.16½	.18½	.16	.17½
1	.07½	.03	Sudbury Mines	41,400	.04	.04	.03½	.03½
1	1.72	.83	Sullivan Cons.	121,492	1.59	1.72	1.60	1.70
1	3.30	2.25	Sylvanite	33,775	3.10	3.30	3.06	3.25
1	.68	.28	Tashota	23,250	.40	.43	.38	.43
1	6.70	4.30	Teck Hughes	43,481	5.85	6.70	5.85	6.50
1	.73½	.37½	Thomp. Cadillac	66,350	.60	.72	.60	.71
1	.23	.02	Timiskaming	42,100	.19	.19½	.17½	.19
1	1.63	1.20	Toburn Gold	3,310	1.51	1.59	1.55	1.55
1	.45	.20	Towagmac	4,300	.41	.40	.39	.39
1	.40	.20	Treadwell	......	(.25 bid .40 asked)			
No	2.52	1.60	Ventures	36,240	2.13	2.25	2.02	2.20
No	1.35	1.00	Waite Amulet	8,483	1.09	1.35	1.09	1.25
50c.	.21	.09½	Wayside	62,350	.11	.11	.10	.11
No	.05½	.03	White Eagle	16,500	.03½	.04	.03½	.04
1	.10	.03	Wiltsey Coughlan	2,000	.08	.08½	.07	.07
1	.09	.04	Wood Kirkland	4,000	.07	.06½	.06½	.06½
No	9.00	7.55	Wright-Hargreaves	16,250	8.25	8.35	8.00	8.25
No	.71	.38	Ymir Girl	4,100	.50	.45	.40	.45
			OIL STOCKS					
No	.18½	.09½	Acme Gas & Oil	63,000	.10½	.11	.10	.11
1	.79	.40	Ajax	1,700	.57	.57	.50	.50
No	1.60	.79	Calgary & Ed.	2,200	1.50	1.50	1.46	1.47
1	.18	.08	Calmont	2,300	.13	.13½	.13	.13
No	.10½	.04	Common Pete	......	(.06 bid .07 asked)			
No	.78	.35	Dalhousie	8,360	.60	.70	.56	.66
No	.13½	.06	East Crest	3,690	.08	.07½	.07	.07½
No	.78	.30	M Foothills	100	.40	.35	.35	.35
No	.31	.13	High Sarcee	4,050	.29	.29	.29	.29
No	1.46	.70	Home	3,215	1.03	1.06	1.00	1.03
1	.81	.11	Homestead O. & G.	46,100	.46	.47	.44	.45½
No	.17	.07	Lowery	1,000	.15	.12	.12	.12
No	.24	.12	Merland	3,000	.22	.14½	.14	.14½
5	.26	.12	Nordon	5,400	.14½	.14	.12	.14
No	.67	.03	Oil Selections	1,000	.04½	.04	.04	.04
No	.15	.08	Olga Gas & Oil	36,000	.08½	.04	.08	.08
1	.75	.52	Petrol Oil & Gas	......	(.64 bid 1.00 asked)			
No	30.75	26.25	Royalite	285	29.50	30.00	29.25	30.00
No	.20	.04	South West Pete	1,000	.20	.20	.20	.20
No	2.50	1.71	Texas Can. new	4,350	2.05	2.05	1.95	1.95

VANCOUVER STOCK EXCHANGE

(Transaction for Week to July 18.)

Par Val.	Range 1936 High	Low	Company	Sales	Close July 13 (or last)	High for week	Low for week	Close July 18
25c.	.01	.00½	Bayview	......	(.... bid .01 asked)			
20c.	.05	.02	Beaver Silver	......	(.02 bid .02½ asked)			
25c.	.01½	.01	Bluebird	......	(.00½ bid .... asked)			
No	8.55	5.60	Bralorne	2,134	7.90	7.80	7.70	7.70
1	.10	.02	Bridge River Cons.	......	(.06½ bid .07½ asked)			
50c.	.25½	.08½	B. R. X. Gold	21,700	.15½	.16½	.13	.16½
50c.	.18	.12½	B. R. Mountain Gold	......	(.... bid .16 asked)			
1	.54	.12½	B. C. Nickel	25,200	.34	.38	.34	.36
1	2.75	1.50	B. C. Silver	......	(2.25 June 29)			
50c.	.12½	.04	Canadian Rand	11,600	.10	.11	.10	.11
1	1.80	1.15	Cariboo Gold	2,575	1.70	1.80	1.73	1.75
1	.30	.13½	Congress Gold	11,750	.14½	.15	.14	.14
25c.	.00½	.00½	Cork Province	......	(.00½ bid .... asked)			
1	.04	.02	Cotton Belt	......	(.02 June 24)			
1	.03½	.01	Dalhousie Mines	2,500	.01½	.01½	.01	.01
No	.36	.17	Dentonia	8,500	.19	.20	.19	.19½
No	.08½	.02	Dictator	4,000	.03	.02½	.02½	.02½
1	.07	.03	Dunwell	......	(.03½ bid .... asked)			
No	.09½	.03	Fairview Amal.	1,000	.04½	.04½	.04½	.04½
50c.	.62	.35	Fawn Mining	3,000	.60	.60	.60	.60
1	.18½	.03½	Federal Gold	12,100	.06½	.06½	.06½	.06½
1	.25	.20	George Copper	100	.20	.20	.20	.20
50c.	.05½	.02½	George Enterprise	......	(.02½ bid .... asked)			
1	.02½	.01½	Georgia River	......	(.01½ bid .01½ asked)			
50c.	.02½	.01	Glacier Creek	......	(.01 bid .... asked)			
1	.24	.09	Golconda	2,000	.09	.09	.09	.09
50c.	.54	.29	Gold Belt	5,600	.34	.34	.32½	.33
50c.	.18	.05	Gold Mountain	46,000	.12	.12½	.10½	.12½
50c.	.04½	.02	Grandview	......	(.02½ bid .03 asked)			
No	.07½	.02	Grange Mines	3,000	.02½	.02½	.02½	.02½
1	.11½	.07	Grull Wihksne	12,300	.10	.10	.10	.10
No	.05½	.02½	Haida Gold	2,000	.03½	.02½	.02	.02
50c.	.32	.15	Hedley Amal.	7,950	.18	.17½	.16½	.16½
No	.05	.03	Hedley Sterling	......	(.... bid .03 asked)			
No	.08	.02	Home Gold	5,500	.04	.04	.03½	.03½
1	.02	.00½	Independence	......	(.00½ bid .... asked)			
1	.03	.02	Indian Mines	500	.02	.02	.02	.02
50c.	1.82	.95	Island Mountain	4,100	1.58	1.55	1.50	1.50
1	.21	.18	Inter'tl Coal	......	(.20½ bid .21 asked)			
.	.10½	.08½	Inter'l Gold	4,000	.09	.09	.08½	.08½
50c.	.72	.30	Kootenay Belle	3,700	.64	.65	.62	.63
20c.	.00½	.00½	Koot. Florence	200	.00½	.00½	.00½	.00½
25c.	.00½	.00½	Kootenay King	......	(.00½ bid .... asked)			
1	.00½	.00½	Lakeview	......	(.00½ bid .00½ asked)			
10c.	.02½	.01	Lucky Jim	1,000	.01½	.01½	.01½	.01½
No	.14½	.03½	Mak Siccar	4,200	.04½	.05	.04	.05
50c.	.00½	.00½	Marmot Metals	......	(.00½ June 24)			
1	.20	.12	McGillivray Creek	......	(.20 bid .... asked)			
50c.	.14½	.06½	Meridian Min.	2,200	.08½	.08	.07	.07½
No	.94	.07	Minto Mines	191,600	.68	.75	.61	.71
50c.	.05	.02	Morning Star	8,500	.02½	.02½	.02½	.02½
1	.01	.00½	Morton Woolsey	......	(.00½ bid .00½ asked)			
50c.	.03½	.02	National Silver	......	(.02½ bid .03 asked)			
50c.	.22½	.07½	Nicola	146,850	.22½	.22	.16	.17
50c.	.05½	.02½	Noble Five	5,000	.03	.02½	.02½	.02½
No	.08	.02	Pilot Gold	34,500	.07	.07	.06½	.07
1	11.85	8.30	Pioneer Gold	1,890	8.40	8.40	8.10	8.25
50c.	.07	.04	Porter Idaho	......	(.04 bid .04½ asked)			
No	.01½	.00½	Premier Border	1,000	.01	.01	.01	.01
1	.02	.01	Quatsino Copper	......	(.01 bid .... asked)			
25c.	.13½	.05	Quesnelle Quartz	11,400	.12½	.12	.12	.12
50c.	.05	.04	Red Hawk	......	(1.04 June 19)			
.01	.09½	.05½	Reliance	24,800	.06½	.06½	.06½	.06½
1	.48	.26	Relief Arlington	3,100	.33	.33	.32	.33
No	.12	.05	Reeves McDonald	1,500	.08	.07	.07	.07
1	1.38	1.00	Reno Gold	4,450	1.24	1.28	1.25	1.27
1	.15	.02	Reward Mining	14,500	.06	.06½	.06½	.06½
1	.01	.00½	Rufus Argenta	......	(.00½ bid .... asked)			
1	.03	.01	Ruth Hope	2,600	.01½	.01½	.01½	.01½
1	.15	.08	Sally Mines	......	(.05 bid .07 asked)			
50c.	.13½	.08	Salmon Gold	6,700	.10½	.11	.10½	.10½
50c.	.79	.55	Sheep Creek	11,400	.69	.73	.69	.71
25c.	.01½	.00½	Silvercrest	1,500	.00½	.00½	.00½	.00½
20c.	.02½	.01	Silversmith	......	(.... bid .01 asked)			
50c.	.00½	.00½	Snowflake	......	(.00½ bid .... asked)			
1	.54	.42	Standard Silver	......	(.42 bid .44 asked)			
10	24.25	16.50	Sunshine	......	(16.50 June 16)			
No	.24	.07½	Taylor Bridge	500	.09	.08	.08	.08
1	.21	.07	Taylor Windfall	600	.15	.15	.15	.15
50c.	.03½	.01½	United Empire	15,900	.04	.04½	.04	.04
No	1.88	.65	Vidette Gold	2,300	1.30	1.35	1.30	1.33
No	.08½	.00½	Viking Gold	18,300	.02½	.02½	.02½	.02½
No	.06½	.01	Waterloo Gold	10,000	.04	.05	.04½	.04½
50c.	.01½	.00½	Waverely Tangier	5,000	.00½	.01	.00½	.00½
50c.	.20½	.09½	Wayside	54,750	.10½	.11	.10½	.11
20c.	.01½	.01	Wellington	......	(.20 bid .... asked)			
.	.22	.19	Wesko	18,800	.21	.21	.20	.20
1	.06½	.03	Whitewater	......	(.03 bid .03½ asked)			
No	.69	.42	Ymir Yankee Girl	1,200	.48	.45	.44	.44
			OIL STOCKS					
1	.21	.09	Alta. Pac. Cons.	4,800	.15	.15	.14½	.14½
1	.15	.05	Amalgamated	11,900	.13	.14	.12½	.14
1	.09	.02½	Anaconda	8,400	.06½	.06	.05½	.06
No	.05	.02	Baltac	......	(.03 bid .... asked)			
1	.43	.09½	Brit. Dominion	8,722	.27	.27	.24	.27
1	.14½	.05	Crow's Nest	13,100	.13½	.14½	.12½	.14½
No	.05½	.03	Devenish	9,000	.04	.04½	.03½	.04½
No	.12½	.04½	Freehold	14,500	.08½	.08½	.08½	.08½
No	.09½	.04	Hargal	1,200	.07½	.08	.07½	.07½
No	.33	.12	High Sarcee	13,100	.29	.29	.28	.29
No	.03	.01	Madison	27,500	.01½	.01½	.01½	.01½
No	.25	.11½	Marjon Oil	10,600	.21	.22	.21	.21
No	.14½	.05½	McD. Segur Ex.	2,500	.09½	.10	.10	.10
1	.40	.20	McLeod	......	(.... bid .40 asked)			
No	.18½	.11	Mercury	4,100	.12	.11½	.11	.11½
No	.15	.08	Mill City Pete	......	(.09 bid .... asked)			
.	.29	.20	Model	4,400	.23	.25	.23	.25
No	.25	.04	Okalta	6,550	.18½	.19	.18	.19
No	.09½	.04½	Pacalta Oil	9,300	.06½	.06½	.06	.06
1	.83	.35	Ranchmen's	2,500	.40	.43	.35	.42
1	.27	.18	Spooner	45	.24	.20	.20	.20
No	.09½	.05	United	4,100	.07	.07½	.06½	.07
No	.10½	.05	Vanalta	2,000	.06	.05½	.05½	.05½
1	.65	.10	Vulcan	1,500	.49	.46	.45	.46
1	.08½	.07	Wellington Oil	......	(.07 bid .08 asked)			

Corporation Bonds

Supplied by Toronto Bond Traders' Association

July 21, 1936

Public Utility Issues:	Int. Rate %	Due	Bid July 21	Asked July 21	Bid July 14
*Ass. Tel. & Tel.	5½	'55	88	91	88
‡Avalon 'Phone.	5½	'46	101	104	101
Beauharnois P.	5	'73	34½	37½	33½
Do. L. H. & P.	5½	'73	97½	100½	95½
*Bell T'phone	5	'55	116	119	115½
*Do.	5	'57	120	123	..
†B. C. Power	5	'60	105	108	105
†Do.	5½	'60	106	109	106
†B. C. T'phone.	5	'60	108	110	107
*Calgary Power	5	'60	98½	101½	99½
*Do.	5	'64	93½	96½	94
†Can. Nor. Pwr.	5	'53	103½	106	103
*Dom. Gas & El.	6½	'45	91	94	92
*Gatineau Pr.	5	'56	98½	101½	98
*Do., A	6	'41	94½	97½	94½
*Do., B	6	'41	93½	96½	93½
*Int'l. Hydro	6	'44	50	53	48½
*Int'l. Pwr.	6	'57	98½	99½	98½
*Do.	6½	'57	98½	101½	99
‡Do.,	6	'55	100	..	100
†Maclaren-Que.	5½	'61	80	83	80
†Do.	5½	'64	78	81	78
Maritime T & T	5	'56	104½	..	..
†Mtl. Island Pr.	5½	'57	104½	107	..
†Mtl. L. H. & Pr.	3½	'56	101	104	100
†Montl. Tram.	4½	'55	79½	82½	79
†Do.	5	'41	102½	105	102
†Do.	5	'55	84½	87½	83½
Nfld. L. & P.	4½	'56	99	102	98½
Nat'l. L. & P.	6	'49	97½	100½	98
†N.S. L. & P.	5	'58	105½	108½	105½
Do.	5	'65	102	..	102
†Ottawa Light	5	'57	107	110	107½
†Ottawa Tract.	5½	'55	101½	104	100½
†Ottawa Val. Pr.	5½	'70	75	78	75
†Power Corp.	4½	'59	97	100	96
*Quebec Pr.	5	'68	105½	108½	105½
Saguenay Pr.	4½	'66	102½	105½	103½
†Shawinigan	4	'61	97½	100	97½
†Do.	4½	'70	103½	106½	103½
†South Can. Pr.	5	'55	105	108	105
†United Secs.	5½	'52	84½	87½	84
†West. Pwr. Co.	5	'49	105½	108½	105½
*Winnipeg Elec.	4½	'60	103	106	103
*Do.	6	'54	86	89	86½
Industrial and Realty Issues:					
†Abitibi Pwr.	5	'53	54	57	55½
Acadia Sugar	4½	'55	101½	104½	101½
†Alta. P. Grain	6	'46	97	100	97
Balfour Bldg.	6	'34	39	42	38½
B. A. Oil	4	'45	103½	106½	104
Burns & Co. (Bundles)	5	'58	77½	80½	78
Can. Bread	6½	'41	109	112	109
†Can. Cement	5½	'47	105½	108½	106
†Can. Ss. Lines	5	'43	103	..	103
†Do.	6	'41	54½	57½	55½
Can. Canners	6	'50	98	101	97½
Can. Bakeries	6½	'45	89½	..	88½
*Can. Int. Paper	6	'49	92½	95½	93
C. P. R.	3½	'51	95½	98½	95½
Do.	4	'49	103½	106½	103
Do.	4½	'44	99½	102½	100
†Can. Vickers	6	'47	91	94	91
†Cons. Paper	5½	'41	48½	51½	49
*Dom. Coal	6½	'55	96½	99½	96½
Dom. Sq. Corp.	6	'48	53½	..	..
‡Dom. S. & C.	6½	'55	64	67	61
†Dom. Tar	6	'49	104½	107	104
Dom. Textile	4½	'55	105½	..	105½
†Donnacona P.	5½	'48	84½	87½	85
†Do.	3-4-4½	'56	72	75	72½
†East. Dairies	6	'49	82	85	..
†Fam. Players	4½	'51	97	100	97
†Federal Grain	6	'49	98	101	99
†Fraser Cos.	6	'50	98	..	98
†G. Steel Wares	6	'52	103	106	103
Godfrey Rlty.	6	'42	40	..	40
*Gt. Lakes Pwr.	6	'50	55½	58½	56
†Gypsum, Lime	5½	'48	100	103	98½
Ham. Cottons	5½	'46	102½	105½	102½
*Ham. B.-P. C.	5	'50	98	101	97½
*Hinde & Dauch	5½	'48	102½	105½	102½
†Int. P. & P. N.	5	'68	102	105	103
Inter. City Bak.	5½	'48	103	..	103
Inter-City W. B.	6½	'50	36½	39½	36
†Kingston Elev.	6	'50	93½	96½	93½
†Lake St. John P. & P.	6½	'47	110	113	112
†Do.	6	'42	79	82	79
†Lon. Can. Inv.	4½	'48	89½	92½	89½
†Maple Leaf M.	5½	'49	54½	57½	54½
†Massey Harris	5	'47	88½	91½	89
†McColl-Front.	6	'49	105	107½	105
†Mercury Mills	5½	'53	58	61	57
†Mersey Paper	6	'49	96	99	96
*M. & O. Paper	6	'45	41½	44½	43½
Nor. Ont. Bldg.	6½	'39	94½	..	94½
Ontario Bldg.	6½	'43	30½	..	30
*Prov. Paper	5½	'47	101½	104	100½
Queen's Hotel	6	'47	94	97	93½
*Reliance Grain	6	'48	103	106	103½
†Restigouche	6	'48	105	108	104½
Rich. B. Bldg.	6½	'47	100½	..	100½
†Rolland Paper	5½	'48	104½	107½	..
Ruddy & Co.	6½	'48	98½	101½	98½
†Simpsons Ltd.	6	'49	105½	108	105
†Smith, Howard	5½	'53	105½	108½	106
†Steel of Can.	6	'40	113	116	113
Sterling Coal	6	'40	88½	..	86½
Twin City Rapid Tr'sit.	5½	'52	84	87	..
United Amuse.	5	'56	98½	101½	98½
United Corp.	5	'53	95½	98½	95
Unit. Grain G.	5	'48	97	100	97½
Do.	5½	'49	102	105	102½
Union Gas	4½	'43-50	97½	100½	97½
Zimmerknit	6	'51	98	..	98

‡Payable in Canada or U. K. †Payable in Can., U. S., or U. K. *Payable in Can. or U. S.

Mining Dividends

	Rate	Close July 18	Yield %
Anglo-Huronian	20c	5.40	..
Beattie Gold	†5c.	1.37	..
Bralorne	20c+5c	7.75	..
Buff. Ankerite	20c	8.65	2.3
Bulolo Gold	‡1.40	31.00	..
Cariboo	10c	1.75	5.7
Central Patricia	†4c	4.40	..
Coniagas‡	12½c	3.50	..
Cons. Smelters	50c	55.25	..
Dome Mines	$2+$2	53.75	7.4*
Falconbridge	30c	9.25	3.2
Hollinger	65c+15c	15.25	5.2
Howey Gold	5c	.85	..
Hudson Bay	$1	25.25	..
Island Mountain	‡5c	1.50	..
Int. Coal & Coke‡	1c	.20	..
Inter Mining	60c	11.00	5.4
Int. Nickel, c.	$1.20	51.25	2.3
Kerr Lake	5c	.55	..
Kirk. Lake‡	3c	.64	..
Lake Shore	$4	59.25	6.7
Little L. Lac	10c	6.00	..
Macassa	15c	4.60	..
McIntyre	$2	42.00	4.7
McKenzie R. Lake	†3c	2.12	..
McKinley Sec.	2½c	.63	..
McWatters Gold†	5c	1.42	..
Nipissing	25c	2.60	..
Nor. Can. Mining	2c	.55	..
Noranda	‡$1.25	63.25	1.8
Pickle Crow	10c	6.30	..
Premier	12c+1c	2.46	5.2
Pioneer, B.C.	80c	8.25	9.7
Reno	12c	1.28	9.3
Stand Silver	1c	.43	..
San Antonio	21c	2.30	8.7
Sheek Creek	†2c	.70	..
Siscoe	20c	3.98	5.1
So. Amer. Gold	30c	4.65	6.4
Sylvanite	20c	3.25	9.3
Teck-Hughes	40c+5c	6.50	6.9
Toburn	8c	1.55	..
Ventures	†2½c	2.20	..
Wright-Har.	40c+20c	8.25	7.3*
Ymir Yankee	†2c	.45	..

‡Interim. †Initial. *Yield includes bonus.

Unlisted Mines

July 21, 1936

	Bid	Asked
Albany River	.67	.70
Algold	.43	.45
Ardeen	.19	.21
Area	.05	.06
Arrow Head	.36	.39
Athabaska	.18	.21
Athona (Gt. B. L.)	.42	.46
Arno	.05½	.06
Bailor	.04	.05
Bankfield Gold	.69	.72
Big Master	.54	.57
Bilmac	.23	.26
Blue Star	.29	.31
Bousquet Gold	.13½	.14
Big Long Lac	.07	.09
Brae Breest	.15½	.18½
Bouquet	.14	.15
Callinan Flin Flon	..	.15
Can. Kirkland	.02½	.03
Capital Rouyn	.30	.31
Casey Contact	.04½	.05½
Casey Summit	.23	.26
Coin Lake	.22	.24
Columario (new)	.02½	.03¼
Cons. Goldfields	.35	.37
Cuniptau	.30	.32
Cripple Creek	1.00	1.10
Darwin	.70	.75
Dunlop (new)	.08½	.09½
Dorval Siscoe	.33	.36
Elmos	.46	.48
Empire	.28	.30
Empress Cons.	.39	.41
Franklin	.02	.03
Frontier R. Lake	.15	.16
Gateway Pat.	.33	.36

Unlisted Stocks

(Furnished by A. J. Pattison Jr. & Co., Toronto)

July 21, 1936

	Bid	Asked
INDUSTRIAL STOCKS:		
Acadia Sugar, com.	4.25	4.50
Do., pfd.	4.75	5.00
Acme Farmers Dairy, pfd.	35.00	....
Algoma Steel, new pfd.	56.00	59.00
Andian National	40.00	....
Assoc. Tel. & Tel., pfd.	53.00	....
B. C. Pulp & Paper, pfd.	10.00	....
Burns & Co., A	10.00	11.00
Do., B	5.00	5.75
Canada & Dom. Sugar	58.75	60.00
Canada Paper, pfd.	110.00	116.00
Canada Starch, pfd.	90.00	95.00
Canada Tea, pfd.	30.50	....
Can. Tube, 1st pfd.	47.00	....
Can. Wire & Cable, pfd.	107.50	....
Can. Industries, A com.	214.00	....
Do., B com.	213.00	217.00
Do., pfd.	160.00	162.50
Can. Ingersoll Rand	100.00	110.00
Can. Westinghouse	....	59.00
Chase, A. W., pfd. bonus	25.00	26.00
Claude Neon, pfd.	2.75	3.25
Conduits Nat., new com.	2.50	3.00
Dom. Found. & Steel, com.	54.00	....
Do., pfd.	93.00	....
Dom. Rubber, pfd.	98.00	101.00
Dunlop Tire, pfd.	83.00	....
East. Dairies, pfd.	9.00	11.50
Edmon. City Dairy, pfd.	80.00	....
Federal Grain, com	2.25	2.75
Do. pfd.	....	35.00
Goderich Elevator	9.00	10.00
Greening Wire, pfd.	106.00	....
Guelph Carpet, pfd.	104.50	106.00
Do., com.	16.50	17.50
Highland Dairy, com.	3.25	....
Do., pfd.	80.00	....
Inter City Bak., com.	28.75	31.00
Inter. Met. Indus., A pfd.	45.00	49.00
McLaren Power, com.	11.75	12.75
Mercury Mills, pfd.	10.00	12.50
N. Meth. Laund., pfd. bonus	80.00	83.00
Ont. Tobacco Plant, pfd.	40.00	....
Prov. Paper, pfd.	102.00	105.00
Reliance Grain, com.	4.50	6.00
Do., pfd.	....	80.00
Rob. Consol. Cone	9.25	10.25
Ruddy, E. L., pfd.	37.00	40.00
Silverwood's Dairies, pfd.	52.50	....
Stand. Fuel, pfd. bonus	105.00	107.00
Supertest Petroleum, B pfd.	27.50	29.00
Toronto Carpet, pfd.	37.50	40.00
United Steel, A pfd.	8.00	....
West. Grain, pfd. bonus	....	16.50
Willards Chocolates, pfd.	17.00	....
TRUST & LOAN STOCKS:		
Chartered Trust	83.00	86.00
Guelph Ont. Inv., par $50	52.00	....
London & West. Trust	58.00	....
Premier Trust	....	....
Sterling Trust	36.50	....
Traders Fin. Rts.	10.25	....
Do., B pfd. bonus	83.00	86.00
Trusts & Guarantee	31.00	....
Waterloo Trusts	97.50	....
INSURANCE STOCKS:		
British America	47.00	....
Canada Life	525.00	535.00
Canadian Fire	74.00	76.00
Can. Ins. Shares	11.00	13.00
Confed. Life 20% pd.	115.00	117.50
Cont. Life 20% pd.	38.00	41.00
Crown Life	150.00	....
Dominion Fire	115.00	130.00
Domnion Life 50% pd.	260.00	300.00
Dom. of Can. Gen. Ins.	121.00	130.00
Empire Life 25% pd.	7.25	9.00
Excelsior Life 30% pd.	72.00	....
Federal Fire 25% pd.	39.50	....
Fidelity Ins. of Can.	45.00	....
Great West Life	380.00	400.00
Guar. of N. A. fully pd.	251.00	....
Halifax Fire	23.50	24.50
Imperial Life	355.00	....
Manufacturers Life	262.00	287.00
Monarch Life 10% pd.	20.50	21.50
National Life 25% pd.	....	47.00
Sovereign Life 25% pd.	13.00	18.00
Sun Life	500.00	....
Toronto General	4.25	5.00
Western Assur., com.	43.00	....
Do., pfd.	41.00	45.00
THEATRE STOCKS:		
Allens Beach, pfd.	61.50	65.00
Do., Calgary, com.	5.00	6.75
Do., Kingston, pfd.	60.50	....
Do., Parkdale, pfd.	60.00	....
Do., Toronto, pfd. bonus c.	33.50	....
Eastern Theatres, com.	4.50	5.50
Do., pfd.	76.00	81.00
Loew's London, pfd.	2.25	3.00
Do., Toronto, pfd.	111.00	....
Mansfield Theatre, pfd.	29.50	....
Paramount Kitchener, pfd.	46.50	....
Do., Oshawa, pfd.	90.50	....
United Amusement, A	17.00	20.00
Do., B	15.25	17.00
INVESTMENT TRUST SHARES:		
Can. Gen. Invest.	8.10	8.35
Can. Investors Corp.	7.50	8.25
Can. Int. Inv. Trust Units	58.00	....
Cons. Div. St. Sec. Units	14.00	15.00
Debenture & Sec., pfd.	63.00	....
Dom. Scottish Inv. Units	34.50	37.00
For. Power Sec., pfd.	7.50	10.00
Invest. Found. Units	50.50	51.50
Sec. Holding Units	24.00	26.00
United Corpns., A	22.25	23.50
Do., B	7.00	8.00
POWER ISSUES:		
Calgary Power, pfd.	80.00	83.00
Can. Light & P., com.	20.00	23.50
Can. West. Nat. Gas, pfd.	92.00	94.00
Do., com.	23.50	25.00
Great Lakes Pwr., pfd.	90.50	93.00
Inter. Util., pfd.	86.00	91.00
Nor. Ont. Power, pfd.	101.00	103.25
Nova Scotia L. & P., pfd.	101.75	103.50
Do., com.	83.00	86.00

Investment Trusts

	Bid	Asked
Can. Amer. Trust	4.00	4.40
Can. Invest. Fund	4.30	4.50
All Can. Trustee	12.25	12.75
Trans-Canada	11.80	12.35
Grouped Income	6.24	6.80
Can. Equity	12.50	

Listed Bonds

Week Ended July 20, 1936

	Int. rate	Due	High	Low	Range 1936 High	Low
Mtl. L. H. & P. Debs.	3	'39	50½	50½	51½	50
McNish	6	'48	3.75	3.55	3.75	3.00

UNLISTED MINES (Continued)

	Bid	Asked
Gilbec	.06	.07
Gillies Lake	.53	.58
Gold Eagle	1.75	1.80
Goldside	.19	.22
Golden Crest	.21	.25
Golden Gate	.35	.38
Gordon Lebel	.35	.38
Horseshoe	.05	.06
Hudson Patricia	.24	.26
Jellicoe	.16	.18
Johnson Nipigon	.06½	.07½
Kaw Crow	.20	.25
Kerr Addison	.36	.38
Keystone	.19	.21
King Kirkland	.06½	.07
Lafayette L. Lac	.05	.06
Lamaque	8.30	8.60
Lapa Cadillac	.37	.40
Leitch Gold	.66	.69
Long Lac Lagoon	.11	..
Madsen Red. L.	.63	.65
Manitoba Basin (new)	.05	.06
Magnet Lake	.10½	.12
Martin McNeely	.75	.78
Matachewan Can.	.18	.20
May Spiers	.49	.51
Matalac	.23	.25
McCarthy Webb	.36	.38
McLellan	.30	.34
Mosher	.45	.48
Moffatt Hall (new)	.35	..
Montague	1.35	1.40
Murmac	.11	.13
North Shores	.03	.04
Oklend	.35	.37
O'Leary	.14½	.16
Opemiska	1.60	1.70
Oriole	.09	.10
Ormand	.24	.26
Paulore	.40	.42
Porcupine Gold R.	.04	.05½
Proprietary M.	.40	.45
Queen Lebel	.14	.14½
Regal Kirk.	.44	.46
Ricard Ramour	.69	.73
Rice Lake	.07½	.09½
Richmac	.26	.28
Rubec	.15½	.16
Sand River	.33	.36
Skookum	.31	.34
Smelter Gold	.07	.10
South Keora	.11	.14
Spooner	.24	.26
Springer	.10	.12
Stanley Gold	.45	.50
Sturgeon R. Gold	.40	.45
Wendigo	.20	.22
W. Red Lake	.08½	.09½
West Side L.	.29	.31
White Horse	.21½	.23
Wilson R. Lake	.25	.27
Winoga	.30	.33
Young Davidson	.23	.25
Young Shannon	.18	.19

Bank Chat

Interest Rate Rise Is Not Yet in View

British Banker Contends Managed Money Precludes Advance in Rates from Trade Recovery — U. S. Reserve Changes

Whither Interest?

WHITHER interest rates? A short while ago, the Westminster Bank predicted the trend of the cost of money — or more correctly, the cost of the use of money — was bound to move upward as a consequence of heightened industrial and commercial activity.

More recently, Rt. Hon. Reginald McKenna, head of the Midland, another of England's "Big Five" and one of the world's leading exponents of managed currency, expressed the exactly opposite view. According to Mr. McKenna, the contention of those who are in agreement with the argument put forward by the Westminster, would be quite accurate if the old gold standard were still in the land of the living. That viewpoint, he contends, implies that the volume of money available is fixed, or that, if it fluctuates at all, it does so for reasons divorced entirely from the needs of business.

• • •

Managed Money

HAVING departed from gold, however, monetary authorities are at liberty to give first place to the requirements of business. Thus far, trade recovery has certainly not been accompanied by a strengthening of interest rates, and, following Mr. McKenna's reasoning, if the requirements of business increase, the additional demand for credit may be offset by an increased supply with no appreciable change in rates accruing.

To quote the British banker:

"This freedom to meet the demand for credit is indeed one of the most striking benefits resulting from our adoption of a scientifically regulated money system, and there is nothing inherent in that system, as it now operates, to warrant the suggestion that cheap money must come to an end so soon as trade recovery passes a given point."

• • •

Reserve Requirements

AN ILLUSTRATION of this manipulation of money supply by government authorities was afforded last week in the United States when member banks of the Federal Reserve System were given notice that after August 15, 50% greater reserves would be required.

This move, however, is not apt to have any influence on interest rates. Primarily designed to wipe out a part of the enormous base on which a towering structure of inflation could be built, the increased requirements will still leave reserves almost $2 billions in excess of requirements. This should be quite ample to provide a buffer against any undue hardening of interest rates. In any event, if the authorities felt that rates were going up sufficiently high to hinder industrial improvement, the reserve requirements could very easily be reduced.

• • •

Gold Hoards

THE excess reserve figures in the United States, amounting at present to about $3 billions, demonstrate very clearly the embarrassment which abnormal gold imports can create. The huge total is almost entirely attributed to the influx of gold from abroad since the advent of depression.

Few other nations envy the United States her gold. To a country not on the gold standard, continued piling up of the yellow metal in the nation's coffers cannot but present a very delicate situation.

The blunt remarks of Montagu Norman, governor of the Bank of England, who spends a good portion of his time dodging reporters, are most interesting. When asked last week on his arrival in America if he anticipated a flow of gold to Europe he replied:

"I hope not. We had all the trouble digging it out of the ground, but you can keep it. We don't want it."

The famous banker was either playing possum or considerably franker than most prominent financiers when queried if any movement toward currency stabilization was abroad. The answer was a naive "I haven't any idea."

HUMAN NATURE

No man can be expected to give greater attention to other people's business than to his own—the other man's business must be of secondary consideration. Through a Trust Company an Estate receives the thoughtful management which only experience and specialization can ensure.

MONTREAL TRUST COMPANY
61 Yonge St., Toronto
J. F. HOBKIRK, Manager

Canadian Pacific Express Travellers Cheques Are World Currency

Carry them on your next trip and be assured of travel comfort.

Get them from any agent of the Canadian Pacific & most Banks

TOOLE, PEET & CO.
LIMITED
FINANCIAL AGENTS
Appraisers and Valuators
Estates Managed
CALGARY CANADA

Investors' Chronicle
6d Established 1860 6d
Has the Largest Net Sales of any Weekly Financial Newspaper in Great Britain
OVERSEAS FINANCE
Special Correspondents in all Financial Centres
A free specimen copy will be forwarded on post card application to:
THE PUBLISHER,
INVESTORS' CHRONICLE,
20, BISHOPSGATE,
LONDON, E.C. 2, ENG.

Do YOU Know How?

How to Make Your Business Live!
By R. M. HAULTAIN
Published by The Financial Post

THIS BOOK tells you how, through BUSINESS LIFE INSURANCE, to:

1. Strengthen banking position.
2. Retire bank loans.
3. Strengthen trade credit.
4. Buy out partner.
5. Sell your interest.
6. Prevent outside interference.
7. Create standby markets.
8. Compensate management loss.
9. Compensate technical loss.
10. Stabilize employees' jobs.
11. Retire older partners.
12. Retire mortgage loans.
13. Retire bond issues.
14. Stimulate assistants.
15. Create employee incentive.
16. Convert goodwill to cash.
17. Regulate company control.
18. Protect dividends.
19. Protect paper endorsers.
20. Build cash reserves.

Case examples fully described in this first Canadian book of its kind. Order Now. Only a few copies left.

Price $1.

THE FINANCIAL POST,
481 University Avenue,
Toronto 2, Canada.

Please send me postpaid......copies of the book, HOW TO MAKE YOUR BUSINESS LIVE.

Enclosed is $ .... in payment.

Name ....

Address 698

Bank of Canada Weekly Statement

The Bank of Canada balance sheet for the week ended July 15 reveals few large changes from the preceding week. Note circulation increased by $1.4 million and the trend from long to short-term securities was continued.

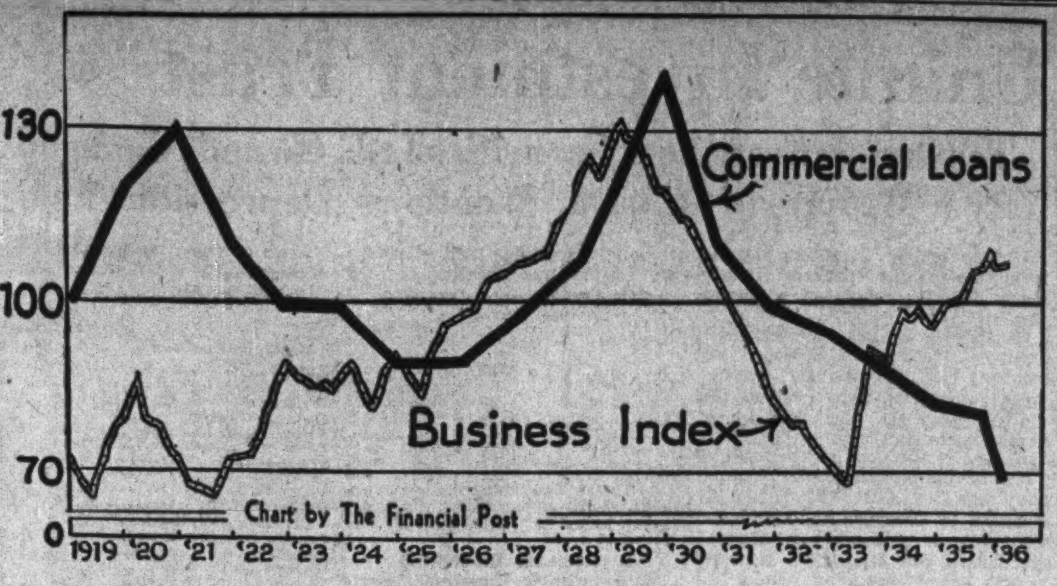
Balance Sheet

	July 15 $	July 8 $
Liabilities		
Capital paid-up ..	5,000,000	5,000,000
Notes in circ.	100,411,606	99,064,194
Rest fund	173,092	173,092
Dep. Dominion ..	14,799,069	15,988,334
Banks	187,866,511	186,577,162
Other	513,123	712,590
Total deposits ..	203,178,702	203,278,086
All other liabs. ..	2,418,288	2,188,625
Total liabs.	311,181,689	309,703,997
Assets		
Reserve: Gold ...	179,910,291	179,848,713
Silver bullion ..	1,775,602	1,775,602
Res. in sterling .	185,361	787,536
Res. in U. S. ..	9,041,270	9,172,129
Res. elsewhere	53,716	56,731
Total reserve ...	190,966,244	191,640,711
Subsidiary coin ..	232,253	228,618
Advances	3,000,000	3,000,000
Investments:		
Dom. govt. short	30,249,720	28,552,184
Other Dom. govt.	81,828,036	82,944,399
Total invest.	112,077,806	111,496,563
Premises	209,436	209,436
All other assets ..	4,695,949	3,128,649
Total assets	311,181,689	309,703,997
Reserve ratio	62.90%	63.38%

Sladen Malartic Mines Issues Optioned Shares

From Our Own Correspondent

MONTREAL. — Sladen Malartic Mines has notified the Montreal Curb Market that an additional 25,000 shares under option have been taken up and issued leaving 754,945 under option.



COMMERCIAL LOANS VS. BUSINESS RECOVERY

The downward trend of banks' commercial loans despite marked improvement in business activity is depicted in the above chart. The fluctuations of business are represented in the chart by The Financial Post business index, based on the year 1926 equals 100, the trend of commercial credit by current loans of the chartered banks which are shown on the scale in $10 millions.

The trend has awakened speculation in banking circles whether it portends a more or less "permanent" movement. Any proportionate reduction in the loan total of the banks compared with investment in lower-yielding securities will naturally have the effect of cutting gross revenue, entailing lower costs if net earnings are to be maintained.

While much of the decline in commercial loans since the advent of depression can be attributed to temporary factors, some contend that there are deeper forces at work which may have the effect of lowering the demand by business concerns for credit accommodation. Among these factors they include the trend to concentration of industry, increasing rapidity of production and transportation.

Long-term Trade Trend May Affect Loan Totals

Bankers Contend Canadian System Will Adjust Itself to Possible Greater Dependence on Investment

By SCOTT FYFE

Must banks become reconciled to a permanently lower volume of commercial loans?

Do developments in industrial organization and in marketing methods over the last quarter century indicate that in the future greater stress will have to be placed upon investment policy?

Is the shrinkage in bank earnings resulting from the trend from loans into investments a factor which will be maintained, entailing greater economies in operation if net revenues are to be maintained?

These are questions with which bankers are now confronted, and the answers will play a major part in determining operating policies. They are questions of almost world-wide application.

Britishers Concerned

Professor T. E. Gregory, one of the best known British money experts, stated recently: "It may be that business life in this country is adapting itself to a new set of habits, which may make it permanently more independent of bank borrowing than was the case before the depression."

The orthodox London "Economist" is also somewhat concerned over the outlook. "In consequence of the rapid extension of rationalization and cartelization," it contends, "a given volume of trade calls for a smaller amount of direct bank credit than it did a decade ago . . . With no early restoration of international trade in prospect, and with rationalization effecting a permanent change, it may be asked whether a new and bolder policy may not be necessary if advances are to be raised to anything approaching their normal ratio to the volume of trade."

Gross Earnings Trend

Practical bankers consulted by The Financial Post were inclined to balk at expressing an opinion in respect to a "permanent" change. Most were willing to admit, however, that there is no immediate prospect for a marked upswing in loans to industry. Some ventured the opinion that for a number of years at least the trend of gross earnings will be downward, arising from greater dependence on securities.

But there is complete faith in the ability of the Canadian banking system to adjust itself to meet this trend. In the past, it is claimed, the banks have proven sufficiently elastic to adapt themselves to new conditions; in the future, if the trend of gross revenue is to be lower, it is felt that economies will be effected in administration and operation to meet the new requirements.

Just what form these economies would take is not certain. It is widely recognized that since the depression the banks have cut costs to a very material extent. In all probability recourse would be had to a levy of service charges heavy enough to offset the cost of the service rendered. These charges have become increasingly common in recent years, but there is still room for extension, bankers feel, before they are placed on a charge-equals-cost basis.

Fewer Branches

More economical operation of branches is another form in which bankers feel that savings may be effected. Many are convinced the Canadian banking system has been, and still is, over-expanded. From this belief has developed the practice of "swapping" branches, whereby, particularly in the last 2 years, the banks have co-operated in the closing of offices. It is likely this practice will be continued.

The fact that despite considerable recovery in business activity in recent years commercial loans have continued to decline has introduced some most interesting speculations. The widening gap between advances and business activity, as depicted in the accompanying chart, appears to indicate that recovery has been by no means predicated on extension of credit. Taking Canada as a whole, The Financial Post business index is currently well above the 1926 level—a year which is generally considered normal. Comparison of commercial loan figures, however, shows that the $926 millions total in 1926 has now dropped to under $700 millions.

Securities and Earnings

At the same time, investments of the banks in securities, chiefly those of the Dominion government, have increased materially, both in actual figures and as a proportion of total deposits. That this trend is distinctly unfavorable to bank earnings has been pointed out on numerous occasions. Even in normal times, loans are by far the most lucrative source of bank revenues, and since the advent of depression the yield on alternative securities has shrunk to a mere shadow. Obviously, then, it is not the fault of the banks that commercial loans are exceptionally low.

A number of explanations have been presented to account for the loan shrinkage, mainly of a temporary nature. Most plausible appear those of lack of confidence and lower price levels. Industrialists are yet very hesitant to undertake expansion of production in view of unsettled political conditions and disorganized world markets. Prices about 25% under the pre-depression level mean that to finance production and marketing only some 75% of the former bank accommodation is required.

That many large corporations find themselves in sufficiently liquid shape to handle much of their own financing, obviating the necessity of falling back on the banks, is another pertinent factor. In some instances, advances of long standing are only now being liquidated, thus contributing to a lower total loan figure.

Long-term Factors

However, apart altogether from these factors, bankers are wondering if long-term developments have not been such that less will be required of the banks to finance industry.

One of the outstanding developments in industrial organization has been the trend to concentration and amalgamation of business units. Thus, various enterprises engaged in the same line of endeavor, and also those engaged in progressive operations in the same branch of production, have been merged. The result has been that many small concerns which formerly looked to bankers for seasonal accommodation no longer exist. Thousands of individual transactions which were formerly registered in bank ledgers are now only inter-departmental entries in books of the company, with only the net debit or credit appearing in the banks' ledgers.

Speedier Operations

Faster production arising from greater mechanization and efficiency, and improved methods of transportation have had an important effect on the demand for bank loans. Increased emphasis on turnover profits has speeded up production itself, and the time required to manufacture raw material into finished products has been cut very greatly. Similarly, improved transportation facilities have cut the time required for delivery. In this way, credit requirements in the form of short-term borrowings, both to finance production and for raw material and finished product transit have been substantially reduced.

Changes in purchasing habits also play their part. Evolution of the cash purchasing system, aided to a considerable extent by the growth of chain purchasing, severely curtails a wide field of operations which formerly required bank credit. The retailer, and wholesaler, require less to tide them over.

Trend Relative

These and related long-term trends should be kept in mind when the future growth of commercial loans is being considered. It should be noted, however, that those who believe the trend of loans will be downward are for the most part speaking relatively—that they have in mind the percentage of loans to securities or total deposits. They believe that increasing business activity will eventually entail greater demand for credit than there is at present, but anticipate that this will not be sufficient to entirely offset the greater dependence on security investments which has become so marked in recent years.

Weekly Bank Clearings

	July 16 1936 $	Change year ago %	July 9 1936 $
Saint John .	1,748,371	+1.5	2,032,833
Moncton	766,890	—9.3	764,685
Sherbrooke .	635,472	+6.3	727,340
Montreal ...	92,159,070	+6.0	108,101,282
Ottawa	14,830,364	+4.4	32,646,529
Peterborough	704,582	+11.8	870,890
Toronto	106,141,210	+3.1	138,911,280
Hamilton ...	3,924,483	+7.7	5,823,583
Kitchener ..	1,030,785	+17.3	1,256,733
Brantford ..	760,597	—7.1	1,504,471
London	2,639,787	+0.7	3,893,414
Windsor	2,321,889	+6.2	2,835,439
Sarnia	436,742	—9.2	571,903
Fort William	639,895	+4.1	923,895
Winnipeg ..	69,179,604	+73.6	96,988,324
Brandon	265,403	—11.1	456,559
Regina	3,185,534	—10.6	4,225,655
Moose Jaw ..	510,871	+15.0	655,577
Saskatoon ..	1,328,709	—5.8	1,696,688
Prince Albert	353,788	+1.4	408,351
Edmonton ..	3,369,411	—5.9	4,786,439
Calgary	6,749,980	+28.6	6,426,077
Medicine Hat	232,178	—13.7	......
Lethbridge .	459,035	+8.2	485,641
N. W'minster	582,161	+40.0	......
Vancouver ..	17,348,376	+20.9	20,898,132
Victoria	1,658,692	+12.6	2,094,023

Lost Money

Uncashed Cheques Are Reported By Royal Bank

The following list continues the unclaimed certified cheques, drafts, bills of exchange reported to the federal department of finance by the Royal Bank of Canada:

Dominion Clothing Co. of Amherst, N.S. issued a cheque for $30 Dec. 4, 1912. The money is at the Amherst branch.

J. M. Wall, Antigonish (later of Halifax) issued a cheque for $78.63 July 24, 1919. The money is in the Antigonish branch.

The Victoria Steamship Co. of Baddeck, N.S. issued a cheque for $180 Feb. 8, 1915. The money is in the Baddeck branch.

Campbell and MacDonald, of Charlottetown and Kinross, P.E.I. issued a cheque for $100.90 Nov. 4, 1913. This money is in the Charlottetown branch.

M. J. McLeod, of Charlottetown Murray River, P.E.I. issued a cheque for $163.80 Oct. 16, 1916. The money is in the Charlottetown branch.

The King Bottling Co. of Glace Bay, N.S., issued a cheque for $65 Dec. 23, 1915. The money is in the Glace Bay branch.

The Canadian Labor Party, of Glace Bay, issued a cheque for $10 on Oct. 17, 1928. This cheque was never cashed and the money is in the Glace Bay branch.

Sir M. B. Daly and **J. B. Kenny,** of Halifax, issued a cheque for $26.21 Jan. 14, 1920. The money is held in the main office, Halifax.

John A. McRae bought a draft in favor of B. MacGillivray. Both were residents of Halifax. The draft is for $145 and was bought Dec. 28, 1923. The money is in the office at Halifax.

The Medical Society of Nova Scotia issued a cheque for $18.35 June 28, 1923. This money is in the main office at Halifax.

The Spring Garden Grocery Co. of 29½ Spring Garden Road, Halifax, issued a cheque for $20 July 21, 1927. The money is in the Spring Garden Road branch at Halifax.

J. P. Potter of Middleton, N.S. bought a money order or draft for $21.21 Dec. 22, 1927. The order is payable to the City of Medicine Hat, Alberta, but never reached the city authorities. The money is in the Middleton branch.

J. A. MacAskill of Sydney, N.S. issued a cheque for $20 to the "provincial treasurer" presumably of Nova Scotia) Aug. 19, 1925. The money is in the Sydney branch.

J. E. Murphy either worked for the Department of Marine and Fisheries (Federal or provincial) at Yarmouth, N.S. or he issued a cheque payable to the department. The cheque is for $50 and was issued Jan. 24, 1919. The money is in the Yarmouth branch.

Davis and Co. of Ansonville, Ont. issued a cheque for $135.33 Sept. 4. 1923. The money is in the Ansonville branch.

Fraser Cos.' New Stock Traded in Montreal

From Our Own Correspondent

MONTREAL. — Montreal Curb Market has listed an additional 16,842 common shares of Fraser Companies Ltd. and 186,854 voting trust certificates. These additions will make a total of 38,162 common shares and 316,854 voting trust certificates outstanding.

LET THE CANADIAN PACIFIC PLAN YOUR TRIP to EUROPE

● Go abroad this year for the vacation of your life! Visit Great Britain, France and the Continent at moderate cost in great comfort ... with all the joys of steamship life en route. Sail on the world-cruiser *Empress of Britain*, the popular *Empress of Australia*—a *Duchess* or *Mont* ship.

Frequent sailings to fit your plans, from Montreal or Quebec via the "39% Less Ocean" St. Lawrence

Seaway route to British and French ports ... Cabin, Tourist or Third Class.

Ask about low-cost, all-expense tours. Visit the countries you have longed to see ... under expert guidance.

For full information see your own travel agent or
E. F. THOMPSON,
Steamship General Agent
Canadian Pacific Bldg., Toronto

Canadian Pacific

"Canadian Pacific Express Travellers' Cheques ... Good the World Over"

WHEN IN LONDON . . .

You can buy THE FINANCIAL POST at our office, 2, 3 and 4 Cockspur Street, next door to Canada House on Trafalgar Square, or at W. H. Smith & Son, Limited, Strand House, Portugal Street, W.C. 2, or

Underground Railway Station Bookstall, Bank, E.C. 2.
Metropolitan Railway Station Bookstall, Moorgate St., E.C. 2.
Southern Railway Station Bookstall, St. Paul's, E.C. 4.
Underground Railway Station Bookstall, Knightsbridge East, S.W. 1.
Metropolitan Railway Station Bookstall, Liverpool Street, E.C. 2.
Kiosk, 34 New Bond Street, W. 1.

IN NEW YORK . .

At our office — MacLean Publishing Company, Room 623, Graybar Building, 420 Lexington Avenue, with entrance from Grand Central Station.

1832 1936

Profit ...

LET us add our experience to yours. You will profit by the right banking connection. Whether your business is merely local or world-wide in scope, this century-old Bank strongly invites your consideration.

World-wide facilities in every department of banking

Coast to Coast in Canada

NEWFOUNDLAND,
JAMAICA,
CUBA,
PUERTO RICO,
DOMINICAN REPUBLIC

NEW YORK
CHICAGO,
BOSTON,
LONDON, ENGLAND

The BANK of NOVA SCOTIA
OVER A CENTURY OF BANKING SERVICE
36-45

50 Cents a Copy — While They Last!

SIR NORMAN ANGELL'S notable series of articles, "Your Money—Plain Facts in Plain Words," written exclusively for The Financial Post, now available in booklet form.

From cover to cover, throughout its 48 pages, this reprint of Sir Norman's authoritative and interesting work is replete with colorful and significant information on a subject of vital importance to everyone. A timely contribution to the literature of the day on the world's number-one economic problem. A valuable addition to any library.

ALSO, republished in booklet form, "Canada and the Next Five Years"—the views of forty prominent Canadian business and professional leaders, outlining the country's major problems and offering solutions, together with a striking analysis of their opinions.

Whether you read any, all or none of these outstanding articles when they recently appeared in The Post, you should have these booklets, each containing the complete series. The supply is limited. Order today and avoid disappointment.

Your Money Plain Facts in Plain Words by Sir Norman Angell

Canada and the Next Five Years

Among the Highlights!
"Economic Ignorance Threatens World"
"The World's Chief Money Illusion"
"The Gold Standard; For and Against"
"Background of Modern Banking"
"The Social Credit Scheme"
"Money Palliative Loaded With Danger"
Etc., Etc.

THE FINANCIAL POST, 481 University Avenue, Toronto, Canada.
Send me, postpaid, ... copies ☐ "YOUR MONEY—Plain Facts in Plain Words."
(check square) .... copies ☐ "CANADA and the Next Five Years."
Herewith $..............
NAME ....
ADDRESS 697
(Lower prices on quantity orders of ten or more copies quoted on request)

Read Their Frank Opinions
"Private Honesty in Public Affairs"
"Farm Problems Those of Industry"
"Canadians Refuse to Face Realities"
"Solving the Relief Riddle"
"Canada's National Transportation Problems"
"Religious Apathy Breeding Pagans"
Etc., Etc.

$187,500,000 In Life Sales For Six Months

Ordinary Business Gains 3% Over 1935 Total

JUNE BOOST SMALL

Life insurance buyers in Canada and Newfoundland bought $187.5 millions of ordinary insurance during the first 6 months of 1936 according to figures compiled by Sales Research Bureau. The figures are exclusive of annuity and pension bond sales and also of industrial and group insurance sales.

Compared with 1935 there is a gain of 3.3% compared with the corresponding total of $181.5 millions in the first 6 months of 1935.

Largest percentage gains in the 6-month period were in British Columbia with an increase of 13% and in Prince Edward Island where sales were 18.7% higher. The high showing of the latter province was due largely to the high volume of June sales which rose almost 69% over 1935.

Ontario, which normally accounts for almost 50% of total sales, showed a gain for the first half of 5% The only areas to show a decline were Quebec, Nova Scotia and Newfoundland.

Comparative figures for the first 6 months follow:

Six Months Sales of Ordinary Life Insurance

	1936 $	1935 $	% Change
B. C.	14,265	12,620	+13.03
Alberta	7,496	7,449	+.63
Saskatchewan	6,077	5,828	+4.27
Manitoba	9.776	9,379	+4.23
Ontario	85,427	81,281	+5.10
Quebec	51.676	52,082	—.78
N. B.	4,445	4,216	+5.43
N. S.	6,345	6,527	—2.79
P. E. I.	685	577	+18.72
Nfld.	1,334	1,596	—16.42
	187,526	181,555	+3.29

June Sales Gain in East

The feature of June sales of ordinary insurance was the heavy gains made in Maritime Provinces. Prince Edward Island as already noted showed a gain of nearly 70%, while sales in Nova Scotia rose over 20%. New Brunswick reported an increase of 16.7% Total sales for all Canada and Newfoundland for the month were $32.3 millions which was less than half of 1% above sales in June, 1935.

Three provinces reported lower sales, the most important being a drop of over 2% in the Ontario total. Saskatchewan sales were lower by almost 10% and Manitoba over 3%. Alberta showed a good increase of 7.4%.

Comparison of the Canadian record with figures for United States shows that new ordinary sales as reported by the Association of Life Insurance Presidents were lower by 7.1% for the first 6 months of 1936. June sales, however, were up by 10.3%. During the first half group sales in the U. S. have risen 29% and industrial business 5.4%.

Comparative figures for Canada follow:

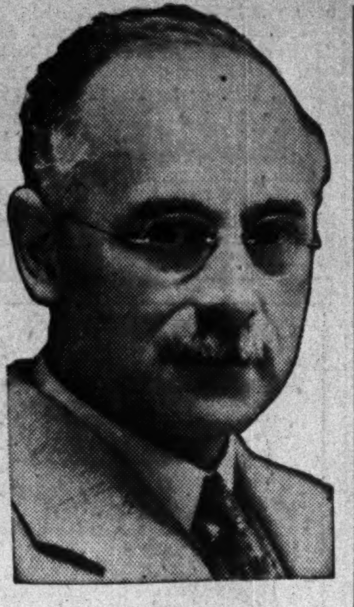
ORDINARY LIFE SALES*
(a) Sales by Months, 1933-1936
($ 000 omitted)

	1933	1934	1935	1936
Jan.	28,928	27,718	32,988	34,221
Feb.	28,095	29,036	28,716	30,474
March	31,768	32,564	31,416	31,664
April	30,501	33,296	28,900	30,147
May	31,916	33,134	27,423	28,977
June	34,114	32,277	32,112	32,277
July	32,165	33,951	32,155	....
Aug.	29,749	26,659	26,854	....
Sept.	27,443	26,123	26,696	....
Oct.	33,435	31,342	30,416	....
Nov.	36,061	35,863	35,158	....
Dec.	36,967	37,691	36,550	....

(b) Sales by Provinces (incl. Nfld.)
($ 000 omitted)

	June 1935	June 1936	May 1936
Br. Columbia	2,239	2,307	2,373
Alberta	1,179	1,266	1,308
Saskatchewan	1,207	1,087	961
Manitoba	1,844	1,786	1,598
Ontario	14,559	14,244	12,902
Quebec	9,020	9,093	7,848
New Brunswick	666	777	714
Nova Scotia	977	1,177	954
Pr. Ed. Island	199	201	87
Newfoundland	302	339	232
Total	32,112	32,277	28,977

* As compiled by Sales Research Bureau of Hartford from returns of 19 companies which at Jan. 1, 1936, had 90 per cent of total business in force in Canada and Newfoundland.



BRITISH MANAGER

N. Wallis Streat, assistant manager for Confederation Life in the United Kingdom since November, 1933, who is now in charge of the British branch. Upon the retirement of G. T. Varney, on November 30, Mr. Streat will assume the official title of manager for the United Kingdom.

For several years Mr. Streat represented a group of four leading life companies, including the Confederation Life, in the placing of large group policies in Canada, and, in May, 1932, was appointed manager for the association's group division in Great Britain.

Mr. Varney, who retires in November, is now absent on leave due to poor health. He entered the company's service 30 years ago as secretary of the British branch when it was opened in 1906. He has been manager since 1918.

Insurance Problems

Insurance questions of general interest submitted by subscribers of **The Financial Post** will be answered in this column. Other enquiries will be answered by mail. A three-cent stamp should be enclosed to cover a direct reply.

Canada National Fire

I should like to know the present position—value, etc.—of shares in Canada National Fire Insurance Company.

Business of the Canada National Fire Insurance Company was reinsured with the Sun Insurance office in 1932, whereupon the company voluntarily went into liquidation with a view to distributing its assets among shareholders. At that time, the company's shares had a market value of between $14 and $18 a share, against a par value of $50.

Liquid assets of the company were realized upon as quickly as possible, and after paying off all definitely determined creditor claims, a first distribution of $28 a share was made to shareholders. Since that time, a further distribution of $2 a share has been made, total payments thus amounting to $30.

Remaining assets of the company are estimated to have a book value of $750,000. They consist almost wholly of real estate, mortgages and agreements. It is understood further distribution to shareholders will depend upon realization of these assets. The almost complete absence of any market for real estate, and the difficulties of collecting mortgages and agreements, render most difficult any estimate as to when further distributions may be expected. It should be borne in mind that realization of real estate at anything like book values is probably out of the question. In respect to the mortgages and agreements, it is stated that many have defaulted, and through foreclosure proceedings are now represented by real estate with the liquidators.

At the end of 1935, surplus shown in the balance sheet, based on book values, and after payment of all expenses in connection with liquidation, was $385,662, as compared with a surplus of $366,537 at September 30, 1932, the date of liquidation. Liquidation is in the hands of the Winnipeg office of the National Trust Co.

Health Insurance Study Proceeding in Ontario

Health insurance for Ontario got front-page publicity last week when a London newspaper expressed the view in a news story that the next provincial election in Ontario would see a province-wide health insurance scheme adopted as a campaign plank by one or both political parties.

Whether or not this prophecy proves correct, active study of the whole matter is now under way by the Ontario Medical Association as a result of investigations which came to a head at the annual meeting of that body held in London in June. At that meeting the Association appointed a special health insurance committee under the chairmanship of Dr. W. S. Caldwell, which aims to set up a model voluntary plan of health insurance throughout the province which could be initiated through various local county medical bodies but which might eventually become province-wide.

The aim of the profession is to have this work carried on voluntarily until such time as a permanent, independent commission is appointed, or until authorization is given by the government to the O. M. A. to operate such a scheme on behalf of the province.

The hope is that such a scheme might be operated experimentally in certain areas to provide definite statistical and other experience upon which to build figures for a province-wide plan. Already the Essex County Medical Assoc. has made an initial start by the installation of a Hollerith machine to tabulate and record health experience data among relief recipients.

Insurance Inklings

THE MARQUIS OF WILLINGDON, former governor-general of Canada has been appointed to the board of the London & Lancashire Insurance Co.

* * *

STRATTON WHITAKER, formerly associated for many years with the Portage la Prairie Mutual Insurance Co., as assistant-manager, secretary-manager and managing-director, and who formed his own general agency last year with headquarters at Winnipeg and branches at Portage la Prairie and Vancouver, has been appointed general agent for Manitoba of Commerce Mutual Fire Insurance Co.

Coke Production Up

Ontario's production of coke in the first five months of the year amounted to 602,689 tons, an increase of 34,041 tons over last year.

Seed Growers' Aims

In outlining the work of the Canadian Seed Growers' Association at the recent convention in Fredericton, Robert Summerby, president, said that the chief function of the association was to improve Canada's farm crops through use of good seeds and by finding what varieties were best suited to sectional needs.

United States
Fidelity & Guaranty
Company
TORONTO

L., L. & Globe Marks Birth 100 Years Ago

History Is Featured by Marked Expansion in Business

IN 100 COUNTRIES

The evolution of the Liverpool and London and Globe Insurance Co. since its foundation 100 years ago is one of continued growth in volume and types of business written.

The company's history, particularly after 1850 when expansion to foreign countries was greatly extended, is actually a chronicle of outstanding world events. As related in the centenary volume compiled by J. Dyer Simpson, one of the general managers, it makes interesting reading.

The story is one of a rise from 4 rooms in Water St., Liverpool, to the fine structures which now house the company's offices in various parts of the world; from a single office in one city to 120 offices in some 100 countries: from a staff of 3 to over 5,000; from the time when there was not a single agent to the present total of more than 100,000. During that time, premium income has risen from £10,000 to approaching £10 millions; funds from £9,000 to more than £26 millions.

Resented High Rates

The company was begun by a group of Liverpool businessmen who resented the high rates charged by the London insurance offices. Actual business was begun in June, 1836, under the name: Liverpool Fire and Life Insurance Co. Policies of the company were entrusted largely to a board of 21 directors all of whom had to reside "within 20 miles of Liverpool Town Hall."

Early claims caused some anxiety as to the ability of the company to meet payments, but these were satisfactorily made and the company actually expanded its business to include life insurance in the second month of its existence. One of the interesting policies of that first year was on the life of a Jamaican who wished to travel in the United States. The policy was granted on condition that on any visit to North America he was not to go beyond the limits of latitude 37 and 48 degrees.

Expansion to London

In 1842 and 1843, the company launched out into London, and in 1847 the name was changed to the Liverpool and London Fire & Life Insurance Co. The following year, despite the uncertain relations between England and America, an agency was established in New York. The last of the British insurance companies operating in America had been forced to close during the war of 1812 and for the intervening 36 years no attempt had been made to cross the Atlantic. That the Liverpool office was then the first in the field may be explained in part by the increasing interest Lancashire was taking in American cotton and other imports.

The Canadian field was entered in 1849 and an agency—Bowring Bros., who still represent the company—established in Newfoundland in the same year. In subsequent years expansion was extensive, although the major theme of the company's policy was to build up the income, reserves and resources of the head office business. Such was its success in this endeavor that fire epidemics, the aftermath of the Crimea and other unfavorable developments were survived in good condition.

Acquires Globe

A number of companies had been taken over in course of the Liverpool's growth, the crowning achievement in this line being the acquisition of the Globe Insurance Co. of London in 1864. By act of parliament the company then changed its name a second time to the Liverpool and London and Globe Insurance Co. This marked a definite milestone in the company's history. Still under 30 years of age, it had not only been able to maintain its position but had increased resources and business to such an extent that it had been able to raid London and carry off no less a prize than the Globe.

Rumors had spread in America that the company would not support the funds of the United States branch out of head office reserves. An answer to this was given at the famed Chicago conflagration in 1871, when Mrs. O'Leary's cow is reputed to have cost property owners some $200 millions by kicking over a lantern in its stall. The second largest claim was paid by the Liverpool firm—almost $3.3 millions. Shortly afterward, the willingness and ability of the company to meet foreign claims was again demonstrated when the Boston disaster exacted a huge toll.

Heavy American Claims

American business has meant some serious claims to the company. In addition to those mentioned above, the Baltimore fire cost more than $1 million and the Toronto outbreak in 1904 about $500,000. Then came the largest of all, with the San Francisco earthquake and fire in 1906. The Liverpool and London, the first company to issue a fire policy on the Pacific Coast, paid as quickly as losses were adjusted the enormous total of $4.7 millions without drawing upon its general reserves, and the shareholders received the same dividend as in the preceding year.

Purchased by Royal

In 1919, the Royal Insurance Co. acquired the shares of the Liverpool and London and Globe, and these 2 Liverpool companies, which had been competing from opposite sides of the same street, formed the largest composite group of insurance companies in the world.

In more recent years, the company has very successfully come through the periods of prosperity and depression, pursuing much the same conservative policies which have marked its entire history. Development has been particularly rapid in accident and life insurance business.

Unique Investment Trust

Teachers' Investment Securities Ltd., Owned, Managed By a Group at Oshawa, Weathers Depression Well

Unique among Canadian investment trusts is the Teachers' Investment Securities Ltd. of Oshawa, Ont.

Organized in 1928 by a small group of teachers in Oshawa, the company is managed by school-teacher directors and most of its shareholders are school-teachers. Directors, in fact, are the heaviest investors in the company's stock.

Behind the formation of the company was the desire of a group of teachers to diversify their investments. At a time when wholesale speculation was rampant it seemed to this group that they would be better able to weather a market crash if they pooled their funds and diversified their investments. They realized it would be possible to purchase higher priced shares and better investment issues with pooled capital than they could as individuals. With this in view a small company was incorporated with an Ontario charter, having an authorized capitalization of 10,000 shares, par value $10 each. The outstanding capitalization at the present time is 7,718 shares.

Fairly Successful

For a company directed by teachers with no previous professional investment experience, the company has been surprisingly successful. Indeed, its record is much better than most of the larger investment trusts in Canada. The break-up of its investment portfolio as at June 15, 1936, amounted to $10.55 a share compared with a par value of $10 a share. Few trusts organized immediately prior to the depression can show a break-up value greater than the par value unless the latter has been reduced.

A comparison of break-up and par value of the company's shares is apt to convey the impression that there has been no depreciation in the company's portfolio. This is not true. Almost all of the company's shares were sold at a premium ranging from $1 to $6. The total amount received for its shares without allowing for any deduction for organization and selling expenses was $111,306, equivalent to an average price of $14.42 a share.

Percentage Depreciation Lower

Actually, however, the percentage depreciation of the company's investment portfolio from cost is lower than with most large trusts. This, however, is partly due to the fact that in the years 1930, 1931 and 1932 additional stock was taken up by directors of the company at a substantial premium in order to enable the company to do something toward "evening up" the investments already purchased.

As at April 14, 1934, the market value of its investment portfolio amounted to 68.6% of the cost. Since that time there has been improvement and at the present time the market value is equivalent to 74.1% of cost.

Value of Investment Portfolio

Comparative figures of cost and market value of the company's investment portfolio are given below:

Date:	At Cost $	Market Value $
Apr. 14, 1934	92,834	63,704
Dec. 14, 1934	95,754	60,175
Apr. 14, 1935	97,270	63,208
Dec. 14, 1935	102,502	68,148
Apr. 30, 1936	109,851	78,914
June 15, 1936	109,851	81,460

Earnings' Record

The company's earnings' record has also been good when compared with other investment trusts, except that in recent years profits have not increased. A record of the company's earnings and dividend record since incorporation follows:

Comparative Earnings 1929-1936

Year	Paid-up cap. $10 par $	Avail. for divds. $	Per share $	Divd. paid $
1929	21,720	1,832	0.84	0.50
1930	35,710	3,811	1.06	0.60
1931	48,880	3,459	0.70	0.65
1932	75,870	4,039	0.53	0.65
1933	77,020	*693	0.09	...
1934	77,020	2,968	0.38	0.25
1935	77,180	2,009	0.26	0.25
1936	77,180	1,935	0.25	0.25

*During this year it was deemed advisable to absorb certain investment losses outright, rather than write them off over a period of years.

Investments Diversified

The company's investment portfolio as submitted to The Financial Post giving the cost and market value of each security held shows a widely diversified list of securities of 136 companies. However, almost 50% of the company's portfolio is invested in shares of 10 banks, 25 trust and loan companies and 18 insurance companies.

Unlike most investment trusts, no government bonds are included in the investment portfolio and only a small number of industrial bonds. Several of the latter are bonds which were purchased at a substantial discount at the low of the depression and have since appreciated.

Teachers Are Directors

The company is headed by A. E. O'Neill, principal of the Oshawa Collegiate and Vocational Institute, as president. Vice-presidents are Miss Velma Kaiser, who is on the staff of the Oshawa public schools, and R. A. Hutchinson, Whitby, inspector of public schools for South Ontario. C. F. Cannon, inspector of public schools, Oshawa, is treasurer; A. H. McKenzie, Toronto, secretary. Other directors are: N. McLeod, Toronto; F. E. Kerr, Peterborough; L. H. Colbeck, Oshawa; H. E. Murphy, Oshawa; A. F. Brown, Haliburton.

Manages Another Trust

In addition to carrying on an investment trust business on its own account, Teachers' Investment Securities Ltd. manages a smaller company of the same type, the Old Canada Investment Co. Ltd., which was organized under a Dominion charter in 1931, and from which it derives a management fee of 10% of the net profits of this company. It also undertakes the sale of Old Canada Investment Co. shares on a 10% commission basis.

Profiting by the experience of Teachers' Investment Securities and because of the favorable time at which it was organized, Old Canada Investment Co. has made an even better showing. Earnings of this company showed marked appreciation in the year ended April 30, 1936, and the market value of its investment portfolio at April 30 last was $16,762 compared with a cost of $16,421.

Here is the investment portfolio of the Teachers' Investment Securities Ltd. at April 30, 1936:

	At Cost $	At Market $
Banking Securities:		
Bank of Canada	600	672
Bank of Montreal	1,802	925
Bank of Nova Scotia	1,176	1,124
Bank of Toronto	1,352	1,610
Banque Can. Nationale	642	680
Bank of Commerce	1,509	758
Imperial Bank	1,579	1,414
Provincial Bank	641	600
Royal Bank	1,546	1,003
Dominion Bank	1,408	1,200
Beverage Securities:		
Canada Bud Breweries	197	225
Hiram Walker's, pref.	88	109
Walkerville Brewery	211	63
Orange Crush, 1st pref.	1,241	900
Construction Securities		
Gypsum, Lime & Alabastine bond	460	960
common	347	219
Sherwin Williams, pref.	583	575
Foodstuff Securities:		
Canada Vinegars Ltd.	145	200
Armour of Ill., $6 prior pref.	344	362
National Dairy Products	326	345
Canada Bread	792	185
Blue Ribbon pref.	327	450
Consolidated Bakeries	246	99
Investment Trusts:		
Economic Investment Trust	1,178	1,080
Invest. Bond & Share bond	370	370
Old Canada Invest. Co.	337	337
Second Can. Gen. Invest.	600	385
Merchandising Securities:		
Loblaw Groceterias "A"	300	497
Loblaw Groceterias "B"	288	434
Dominion Stores	481	251
Lehn & Fink	537	275
Great West Saddlery	482	128
Oil Securities:		
British American Oil	452	835
Consolidated Oil	769	947
Pure Oil	791	472
Public Utility Securities:		
Brazilian Traction	1,210	729
Bell Telephone Co.	585	718
Shawinigan	1,107	361
International Utilities "A"	458	115
United Corporation	368	288
Louisville Gas & Electric	972	845
B. C. Electric "A"	1,437	907
B. C. Electric "B"	...	19
Pulp & Paper Securities:		
Abitibi Power, com.	1,445	344
Abitibi Power, pref.	510	406
Abitibi Power, 5% bond	405	870
Gatineau Power, 6% bond	420	442
Int. Hydro Elec. "A"	129	11
Int. Hydro Elec. 3½% pref.	593	200
Int. Hydro Elec. 6% bond	681	405
Interntl. P. & Pr. 6% bond	593	780
International Paper "A"	352	45
International Paper "B"	200	29
International Paper "C"	120	21
International Paper pref.	983	234
Real Estate Securities:		
Hotel Genosha, 8% bond	100	100
Rubber Securities:		
Goodyear Tire, com.	1,752	695
Goodyear Tire of Amer., c.	389	242
Textile Securities:		
Dominion Textiles	493	360
Cosmos Imperial, com.	248	280
Mercury Mills, 5½% bond	595	655
Biltmore Hats, com.	213	690
Biltmore Hats, pref.	853	1,083
Tip Top Tailors, com.	102	86
Tip Top Tailors, pref.	487	525
Transportation Securities:		
Can. Pacific Railway	1,549	594
Can. Steamship Line, pref.	463	36
Colonial Steamships, 6% bd.	600	680
Can. Rail & Harbour Term. 6½% bond	380	630
Kingston Elevator, bond	460	493
Union Pacific Railways	836	617
Great Northern, pref.	571	380
New York Central	1,315	667
New York Central, 6% bond	210	222
Trust & Loan Securities:		
British Mort. & Trusts	2,706	1,765
Brockville Trust & Savings	565	400
Capital Trusts	510	350
Chartered Trusts	550	390
Community Trust Corp.	1,000	1,000
Eastern Trust	713	700
Grey & Bruce Loan & Sav.	503	255
Lambton Loan & Investm't	850	600
National Trust Co.	1,750	983
Nova Scotia Trust	661	661
Sterling Trust	1,081	360
Toronto General Trusts	2,203	805
Trusts & Guarantee	1,184	322
Victoria Trust & Savings	1,000	575
Waterloo Trust & Savings	688	450
Huron & Erie Mtge. Corp.	2,234	1,072
Canada Permanent	1,451	1,071
Real Estate Loan	774	336
Guelph & Ontario Savings	760	564
Midland Loan & Savings	6,388	6,099
Toronto Mortgage	1,382	1,547
Eastern Can. Savings	727	700
Montreal Loan	480	260
Ont. Loan & Debenture	1,033	896
Landed Banking & Loan	1,137	385
Insurance Securities:		
Canada Life	2,010	1,050
Canada Fire	478	378
Casualty Co. of Can.	540	540
Central Can. Loan	886	495
Commercial Life	503	42
Continental Life	825	386
Crown Life	750	210
Dominion Fire	627	580
Dom. of Can. General Ins.	1,480	590
Empire Life	550	105
Excelsior Life	625	345
Great West Life	985	776
Monarch Life	240	95
National Life	345	230
Ont. Equitable Life	240	44
Sovereign Life	1,142	544
Sun Life Assurance	2,095	990
Western Assurance	957	637
Mining Securities:		
Hollinger Consolidated	239	359
Howey Mines	430	440
Jackson Manion	98	96
Siscoe	503	666
Sylvanite	228	230
Teck Hughes	304	228
Sherritt Gordon	740	1,008
Thompson Cadillac	219	305
Parkhill	52	40
Central Manitoba	158	26
Miscellaneous:		
American Locomotive	606	135
Amer. Agricultural Chem'l	509	500
Asbestos, com.	25	21
Asbestos, pref.	524	63
Assets Realization Ltd.	252	252
Bristol-Myers Co.	623	605
Canadian Industrial Alcohol	308	88
Dominion Coal Co.	660	595
Easy Washing Machine	113	30
English Electric "A"	448	210
English Electric "B"	220	60
F. N. Burt	483	400
Ford of Canada "A"	625	534
Humberstone Shoe Co.	190	300
Lambert	710	222
Langleys preferred	1,050	645
Maritime Agencies	50	50
Mathieson Alkali	708	598
Radio Corporation	325	281
Sterling Products (Inc.)	734	671
Stobie-Forlong Assets Ltd.	353	353
Texas Gulf Sulphur	823	347
Vick Chemical Co.	599	581
	109,851	78,914

Few Claims Arise From Severe Heat

The sweltering heat wave of last week has meant surprisingly little to insurance companies, judging by claims to date, The Financial Post is informed. True, excessive heat intensified the danger from forest fires which are reported to have razed considerable portions of timber and to have caused property loss in small Ontario settlements. However, this was largely in areas where fire insurers had made certain that underwriting was on a conservative basis.

While a substantial number of prostrations have been reported, sickness insurers state that as yet very few claims have been entered. The high temperature was particularly hard on youngsters and elderly persons, it is pointed out—groups not widely covered by this type of insurance. Some claims are anticipated, however, before the 30-day time limit expires.

Authorities point out that heat prostration claims are tenable under sickness policies. There is no claim for exhaustion from heat under accident insurance, although sunstroke victims may have a case, depending on the circumstances under which the stroke was suffered.

New Brunswick Admits Lloyd's

Grants Authority to Write All Insurance But Life

Non-marine underwriters at Lloyd's, London, have been granted authority by the government of New Brunswick to carry on insurance business in that province in all lines except life. The organization has already secured authorization to operate in Quebec, Ontario and Alberta, and will be in a position to operate in New Brunswick as soon as statutory formalities in the matter of security are completed.

The question of a license has only recently been taken up in the Maritime province. Previously, requirements in regard to maintenance of a deposit with the authorities, the subject of so much controversy in other parts of the Dominion, prevented negotiations. Information in regard to disposition of this question in the present instance is not yet forthcoming. No deposit was made in the 3 provinces where the underwriters are already licensed.

Indus. Acceptance Corp. Business Ahead of 1935

From Our Own Correspondent

MONTREAL. — For the first 6 months of 1936 Industrial Acceptance Corp. handled over 36% more business than in the corresponding period of 1935. The increase is approximately similar to the increase recorded in that period in volume of car financing throughout the Dominion. All types of "paper" handled by the company shared in the increase, though naturally the largest percentage of business was for automobiles.

Setting Trees in Prairies

Dominion Experimental Farms tree planting division supplied free more than 767,000 trees in April for planting in the three Prairie Provinces.

New Licenses

Fidelity & Casualty Co. of New York has been licensed to write employers' liability, theft and workmen's compensation in British Columbia, in addition to the lines for which it is already licensed.

Westchester Fire Insurance Co., Connecticut Fire Insurance Co., and the Equitable Fire & Marine Insurance Co., have been granted an extension of their Alberta license to include hail insurance.

The Independent Order of Foresters
Monthly Income During Disability

Certificate Plan B: Issued by the Society affords outstanding protection. It provides an Old Age Benefit, payable in one sum, for the full amount of the Certificate, on the 60th birthday, or, payment in the event of death.

In addition, the Certificate provides a generous Disability Benefit of Ten Dollars a month, for each $1000 of Protection carried. Payments of such benefit are not a charge against the Certificate when it becomes a claim, either as a result of death or old age.

The Certificate contains the usual automatic non-forfeiture privileges. Double Indemnity may be secured for the payment of a nominal sum.

FRANK E. HAND, Supreme Chief Ranger,
HEAD OFFICE, TEMPLE BUILDING, TORONTO, CAN.

"Canada's Largest Fire Mutual"
The WAWANESA MUTUAL INSURANCE CO.
Ranks 3rd against all companies on total volume of fire business written in Canada
FIRE WINDSTORM SPRINKLER LEAKAGE AUTOMOBILE
LIABILITY DOCTORS' AND DENTISTS' LIABILITY PLATE GLASS
Head Office—WAWANESA, Man.
Eastern Office—341 CHURCH ST., TORONTO, Ont.
Branches also at Vancouver, B.C.; Edmonton, Alta.; Regina, Sask.; Winnipeg, Man.; Montreal, P.Q., and Moncton, N.B.

Make Dividends on your Fire Insurance
TURN "EXPENSE" INTO "INVESTMENT"
OUR plan of mutual fire insurance will not only give you full protection in a sound, reliable company — it will also earn you dividends of 20% to 30% each year.
Write for descriptive folder to our nearest office
Vancouver
Kelowna
Victoria
Edmonton
Calgary
Saskatoon
Winnipeg
Toronto
Hamilton
Ottawa
Montreal
Quebec City
St. John
Halifax
NORTHWESTERN MUTUAL FIRE ASSOCIATION

FOR MORE THAN 65 YEARS

- The Sun Life Assurance Company of Canada has been providing protection and future security to policyholders and beneficiaries by means of a variety of practical life insurance plans.
- To-day Agencies of the Sun Life of Canada encircle the globe — 133 Branch organizations are maintained in 39 countries on five continents and the Sun Life is doing business in 40 states of the U.S.A.
- The international character of the company provides unique facilities for the service of its clients in whatever part of the world they may reside.
- There is a Sun Life Policy for every requirement and the Sun Life Representative in your community is at your service.

SUN LIFE of CANADA
1865 1936

FIRE AUTOMOBILE
Assets Over $5,173,000
MARINE CASUALTY
Losses Paid Since Organization of Company in 1833 over $75,168,000
REPRESENTING SERVICE AND INTEGRITY FOR GENERATIONS
THE BRITISH AMERICA ASSURANCE COMPANY OF TORONTO
TORONTO - CANADA

YOURSELF AT SIXTY-FIVE
If you could look into the mirror of the future and see yourself at 65, would the reflection be that of a man of independence, living in the comfort to which that age is entitled—or that of one dependent upon others?
A Prudential Combined Assurance Pension policy would help you paint a different picture of the future. Ask a Prudential representative about this and other Prudential "with profit" policies.
THE PRUDENTIAL ASSURANCE COMPANY LIMITED OF LONDON ENGLAND
Head Office for Canada:
465 St. John Street, Montreal, P.Q.

Variety gives spice to Summer reading—
Whether you are holidaying — or loafing at home in a shady spot where there's a bit of breeze—Maclean's is ideal for summer reading. Variety is the key-note—short stories and serial fiction that range from Northern camps to the China seas — stories of adventure, romance, mystery—with a strong dash of humor—and a selection of articles by writers who present facts crisply, avoid dullness like the plague . . .
On Sale at All News Stands
Maclean's 5c

Week in Wheat

World Still Skeptical Of Stocking Up Wheat

Having Discounted Canadian Crop Damage, International Market Takes Stock Elsewhere — In No Mood to Accumulate

From Our Own Correspondent

WINNIPEG.—Although remaining high the wheat market during the past week has not made the full response that was expected by some traders following further Canadian crop deterioration.

But the situation in Canada has already been largely discounted in world markets. Further developments must depend on factors more important than 25 to 50 million bushels lopped off the Canadian harvest.

A ceiling is provided for the immediate present at least, by United States prices, and especially by the premiums millers can afford to pay for hard spring wheat.

The United States market has at the present a good deal of winter wheat to absorb. Europe continues to buy somewhat gingerly, and to be in no mood to accumulate until the situation clarifies. Her own position is none too favorable, poor crop prospects being reported in both France and Germany with the harvest expected later than usual. Recent advances have brought out more Australian and Argentine wheat.

Board Selling Fast

THE Canadian Wheat Board has been selling freely and making no effort to squeeze buyers on a market with comparatively limited supplies. It is supposed that the board is determined to get as much wheat as possible out of the way before the new crop. It also appears anxious to get the Canadian carryover and its own holdings down to a minimum before the end of the crop year, and also to take full advantage of the present demand from the United States.

* * *

U. S. Anxious

HEAVY purchases of Canadian wheat by United States millers despite a 42 cents duty, continue to be a major source of market strength. True, not all such wheat is going immediately into consumption, as apparently stocks are being built up to some extent. Hedges against this wheat are still being carried at least in the Canadian market. But the fact that millers are paying, not only the current Canadian price for such wheat, but the U. S. duty as well, is proof that the use of Canadian wheat is expected to be heavy in the United States during the coming year.

The strength of the American market for high grade wheat is all the more remarkable in view of the heavy rate at which deliveries of hard winter wheat are being made in Kansas. However, with practically no wheat to come out of the spring wheat states, the market pressure from new crop wheat is likely to get less as the season advances.

Damage to the U. S. corn crop is another possible source of strength to grain markets on this continent. Drought and heat have already wrought a great deal of harm, although this crop is less susceptible than wheat to such conditions. Present expectations are that the corn crop may not be larger than 2,000 million bushels compared with an average of 2,500 millions. Already large quantities of Argentine corn are being imported to supplement the quantities on hand, likely to be exhausted before the new crop is harvested. Cheap corn in Europe, owing to a large Argentine crop, was one check on grain prices during much of the past year.

* * *

Liverpool Awakens

LIVERPOOL has been somewhat slow to realize the extent of crop loss in the spring wheat area of North America this year. Traders there have reluctantly followed the advances on this side. There was a tendency for Liverpool observers to exaggerate the importance of such rains as have been received in the west during recent weeks.

Now, however, there appears to be a stronger appreciation of actual conditions, and this has been reflected in increased forward buying of Canadian wheat. It has also been reflected in increased attempts to obtain supplies of wheat elsewhere than in Canada, and extensive buying of Danubian wheat for British mills appears to be in progress. Some small supplies of surplus Swedish wheat have also been obtained.

* * *

Russian Crop Hit

NOT much hope obtains of Russian supplies for the coming year, for although Russian winter wheat has done well, extensive drought damage has occurred in spring wheat areas. No definite idea of the extent of such damage appears to prevail, the most important indication being Russian reluctance to offer wheat for sale. Much of the spring wheat, however, is grown in country not dissimilar either in soil or climate to the spring wheat area of the North American continent, and as susceptible as is the latter to great variations in yield.

* * *

Buying Barley

UNDER the impetus of demand from the United States for Canadian malting barley premiums on western malting barley have shot up at an amazing rate. At the end of May 6-rowed malting barley was quoted at under 40 cents a bushel, with a premium of less than 3 cents a bushel over feed grades. The other day such barley commanded 72 cents a bushel, the premium over feed barley in the meantime having risen to 16 cents a bushel.

Brewers in the United States, who find western malt excellently suited to the lager type of beer which they manufacture, in despair of getting adequate supplies of barley in their own country, have been seeking to make contracts in Canada. Much of the prospective barley crop of western Canada has already vanished. How much of that which remains will qualify for malting grades is something that can only be determined at threshing time.

DIVIDEND NOTICES

The Royal Bank of Canada

DIVIDEND NO. 196

NOTICE is hereby given that a dividend of two per cent. (being at the rate of eight per cent. per annum) upon the paid-up capital stock of this bank has been declared for the current quarter and will be payable at the bank and its branches on and after Tuesday, the first day of September next, to shareholders of record at the close of business on the 31st day of July, 1936.

By order of the Board.
S. G. DOBSON,
General Manager
Montreal, Que., July 14, 1936.

The Eastern Car Company, Limited

BONDS

NOTICE IS HEREBY GIVEN that The Eastern Trust Company under the provisions of the Mortgage dated the first day of July, Nineteen Hundred and Twelve (1912) to secure the bonds of The Eastern Car Company, Limited, will receive offers up to noon on Monday, the twenty-seventh day of July, 1936, from persons willing to sell the whole or any part of the bonds of the said The Eastern Car Company, Limited, purchasable by a Sinking Fund payment of Thirty-seven thousand Seven hundred and twenty-six Dollars ($37,726.00).

Parties offering must state the par value of bonds tendered and price delivered at Halifax.

The Trustee reserves the right to reject any and all offers in whole or in part. Bonds accepted are to be delivered on or before August 7th, 1936, and interest on accepted bonds will cease on that date.

THE EASTERN TRUST COMPANY,
TRUSTEE.
184 Hollis Street, Halifax, N.S.,
July 4th, 1936.

The Shawinigan Water and Power Company

Notice is hereby given that a dividend of Fifteen (15c) cents per share has been declared on the no par value common shares of the Company for the quarter ended June 30th, payable August 15th, to shareholders of record July 24th, 1936.

By Order of the Board,
JAMES WILSON,
Secretary.
Montreal, July 15, 1936.

Zellers Limited

Notice is hereby given that an Interim Dividend of one and one-half (1½) per cent ($1.50) has been declared on the Preferred Shares of Zellers Limited and will be payable on and after August 15th, 1936, to Shareholders of record at the close of business on July 31st, 1936.

By Order of the Board,
T. E. McDERMOTT,
Secretary-Treasurer.

Old Canada Investment Company Limited

Dividend Notice

Notice is hereby given that a dividend of 5% on the Preferred Stock, and 6% on the Class "A" common stock of Old Canada Investment Company Limited has been declared payable August 5, 1936, to shareholders of record July 31, 1936.

By order of the Board,
A. H. McKENZIE,
Secretary.
Oshawa, Ontario.

Model Oils Limited

NOTICE TO SHAREHOLDERS

The Annual General Meeting of the Shareholders of MODEL OILS LIMITED will be held at the Palliser Hotel, in the City of Calgary, in the Province of Alberta, on Friday, the 31st day of July, A.D. 1936, at the hour of 10 o'clock in the forenoon, for the purpose of receiving and considering the following:

(a) Report of Directors.
(b) Annual Statement of Accounts, Balance Sheet and Report of Auditor.
(c) Appointment of Auditor.
(d) Election of Directors.
(e) Any other business that may properly be considered at the meeting.

The books of the Company will be closed for transfer purposes from July 27, 1936, to July 31, 1936, both days inclusive.

DATED at Calgary, this 13th day of July, A.D. 1936.

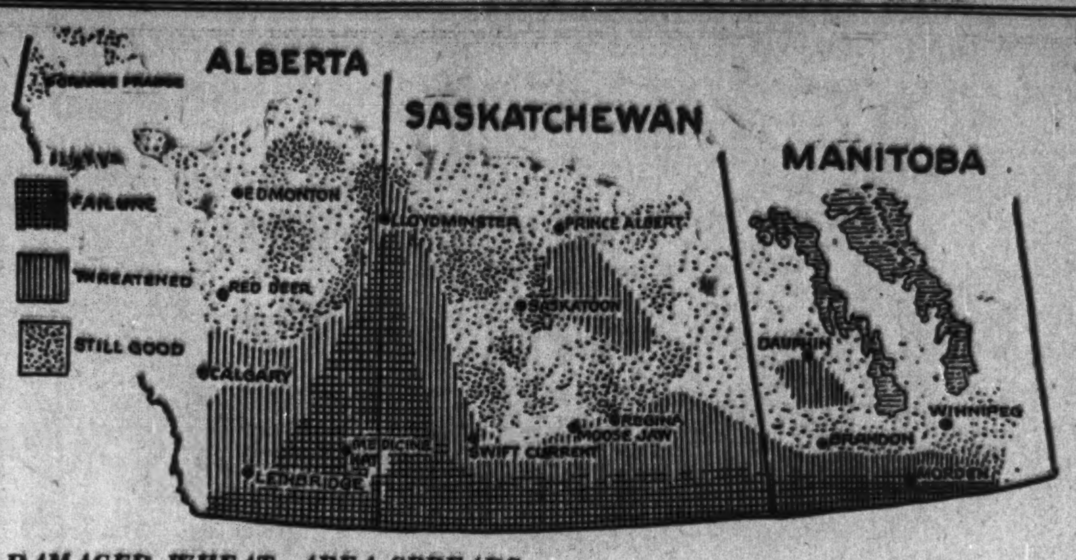
By Order of the Board of Directors,
T. W. McKEE,
Secretary-Treasurer.

McIntyre Porcupine Mines

LIMITED
(No Personal Liability)
DIVIDEND NO. 71

Notice is hereby given that a dividend of ten per cent. (10%), on the Company's Capital Stock, will be paid in New York funds on September 1, 1936, to shareholders of record at the close of business on August 1, 1936.

By Order of the Board,
BALMER NEILLY,
Treasurer.
Dated at Toronto, July 16, 1936.



DAMAGED WHEAT AREA SPREADS

Although scattered rains this week and lower temperatures relieved the western wheat situation the area of damage has now reached almost record proportions. Prospects have been revised from the 400 million crop promise of three weeks ago to less than 225 millions. With favorable weather, of course, some comeback is still possible, though much of any recovery will largely be in the livestock feed category. Shaded portions in the above map show the approximate extent of drought with the dots indicating the remaining wheat area on which fair to good returns are still possible. The two small irrigated sections in southern Alberta, around Lethbridge and Brooks, where, of course, moisture is under control, are not shown.

See Carryover Vanish In Coming Crop Year

Canada Should Have Clear Field for New Crop Disposal

BOARD LOSS LIGHT

From Our Own Correspondent

WINNIPEG.—During the past 7 years calculations of the quantity of wheat Canada might sell have been continuously astray. This is one reason for hesitation at the present time in predicting what may occur during the coming crop year.

But present appearances give rise to the belief that surplus carryover may entirely disappear before another crop is harvested. Against the 115 million bushels or so likely to be on hand on July 31, of this year, perhaps 40 million bushels may be expected to remain a year later. That would be considered almost a minimum carryover. It would be not much more than sufficient for home requirements for the 6 weeks period between the end of the crop year and the arrival of new wheat in volume.

200 Million for Overseas

Including new crop and carryover the maximum quantity of wheat likely to be available this year may perhaps be about 325 to 375 million bushels. This compares with about 460 million a year ago. Deduct from this 115 million bushels for domestic use, and 40 million for minimum carryover, and 200 million remain available for export. Of that the United States may be expected to take 50 million bushels, leaving just over 150 million bushels available for export overseas.

This is not a large quantity, considering the fact that for the next 6 months Canada is likely to supply more than half the requirements of importing countries, which have no other large source of supply available until new crop wheat from the southern hemisphere reaches European markets in quantity. This is usually about March.

But Must be in Line

Such is the present outlook. But if Canadian wheat is out of line with the ideas of values held in countries overseas, they may postpone their period of imports, by using up home suplies more rapidly than usual. These in turn may be replaced by extra large imports of Argentine and Australian wheat later in the crop year. High prices may tempt Russia to export considerable quantities, even at the risk of creating possible scarcity later on. Again the Balkan countries may be induced to market earlier thus keeping down the percentage of Canadian.

Board Completing Task

The Canadian Wheat Board has now completed by far the larger part of the selling job it undertook with respect to the crop of 1935 and the accumulated surpluses from former years. Although it has published no statement, it would seem evident that it has now disposed of not less than 250 million out of the total of 340 million bushels or so of which it had to sell. Its financial position has been greatly improved by the advance in prices which has taken place since early July. But it seems inevitable that there will still be a loss in excess of the $15 millions which was voted by Parliament at the last session.

When the Murray board took over from the McFarland board in December last it assumed responsibility for 298 million bushels of wheat. By that time the major portion of the new crop had been delivered on the basis of 87½ cents per bushel, No. 1 northern wheat as guaranteed to the government.

Big Change Now

It has probably received something more than 40 million bushels additional wheat since then, although farmer deliveries of late have been sold on the open market at higher than the guaranteed price.

How much wheat the Board still has left no one knows. Some time ago holdings were understood to be well in excess of the total visible supply in the country, and included hedges on Canadian wheat and flour in various positions not included in the visible.

Now, with the interest which has developed in the market, it is obvious that the holdings of the Board must be decidedly less than the visible supply, probably not more than 75 million. The effective quantity would be even less, for included in that figure must be from 5 to 10 million in store in elevators in dried-out districts which will be required locally for seed and feed.

The recent advance in prices has benefitted mostly the Wheat Board and through it the Dominion Government, by reducing the probable loss on its operations. Very little wheat remained in farmers' hands to get the benefit of the advance.

Probable Losses

After the Dominion Government had assumed a loss of $15 millions the Board was able to take the carried over wheat into its books at practically the same price basis, 87½ cents, as it was paying for new wheat. Throughout most of the period of its operations prices have been well below that figure, and on some grades of wheat the discrepancy between cost and selling price has been much greater. In addition costs of carrying unsold wheat have continued to accumulate.

Prices have now risen to a point where they should about cover initial payments, and operating and carrying charges to date. Unless the Board should speculate by withholding its supplies from sale to await higher prices, something opposed to present policy, any profits which would balance losses already taken are altogether out of the question.

Much of the grain sold has represented a loss, including carrying charges, and discounts on special grades and grain in various positions, ranging between 10 and 15 cents a bushel. The actual figure, not including appropriations already made by Parliament, is likely to exceed $15 millions, but should not be much more than $20 millions.

Values of Certificates

Farmers who delivered wheat to the Board received participation certificates entitling them to a share in any profits which might be realized later on their wheat. In spite of the price advance there would be, however, little hope held of these certificates having any value. Such was clearly realized by those farmers who promptly ceased selling to the Board as soon as the open market price rose above the Board basis.

Nor must it be assumed that the Dominion Government is necessarily in a better financial position because of the price advance which has taken place. True, its losses on the Wheat Board and on earlier wheat price stabilization operations are less than at one time threatened. But that is directly due to wide spread crop failure in the west, a failure that is going to increase relief costs and cut down railway incomes by millions of dollars.

Dominion Bridge Company, Limited

DIVIDEND NOTICE

A Dividend of THIRTY CENTS (30c) per Share has been declared on the No Par Value Shares of this Company for the Quarter ending 31st July, 1936, payable 15th August, 1936, to Shareholders of record at the close of business on the 31st July, 1936.

By Order of the Board,
F. W. EVENS,
Secretary.
Montreal, Que., 21st July, 1936.

Hollinger Consolidated Gold Mines Limited

DIVIDEND NUMBER 282

A regular dividend of 1% has been declared by the Directors on the Capital Stock of the Company, payable on the 11th day of August, 1936, to shareholders of record at the close of business on the 27th day of July, 1936.

Dated the 20th day of July, 1936.

I. McIVOR,
Assistant-Treasurer.

Loblaw Groceterias Co. Limited

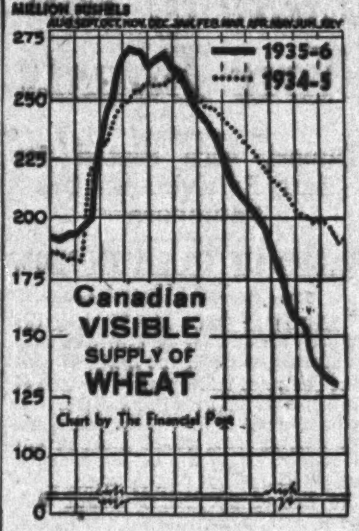
NOTICE is hereby given that quarterly dividends of 25 cents per share on the Class "A" shares and 25 cents per share on the Class "B" shares of the Company have been declared for the quarter ending Aug. 31, 1936, payable on the 1st day of September, 1936, to shareholders of record at the close of business on the 12th day of August, 1936. Payment will be made in Canadian Funds.

D. URQUHART,
Secretary.
Toronto, July 17, 1936.

Japs Undercut Prices On Their Wire Cloth

Canadian wholesalers have recently been offered Japanese wire cloth at a price said to represent a considerable reduction from that of the domestic product, says Hardware and Metal.

"There is a feeling in some quarters that the Japanese after soft-pedalling competition in Canada until after the budget was out —because of the textile enquiry— are now proceeding to step right in for all they can get in the Canadian market. They may be a considerable factor in supplying various lines in addition to screen cloth. Some Canadian hardware buyers showed a great deal of interest in Japan immediately the surtax on Japanese products was lifted by the Canadian government, and the appearance of Japanese lines on this market in increasing quantity has been entirely unanticipated."



BEST SINCE 1930

Canadian visible at the end of the current crop year next week should be down to approximately 115 million bushels or the lowest carryover at this time since 1930. For the last 3 seasons visible has averaged well above the 200 million mark at the end of the crop year. With 2 more weeks of the current year to be reported, visible last week, according to the Dominion Bureau of Statistics, was almost 125 millions. Export clearances plus United States imports were over 4.5 millions.

Details in bushels are as follows:

	Canadian Visible	
Week of July 17	Week Previous	Last Year
126,688,000	131,679,000	189,935,000
	Export Clearances*	
4,576,975	4,960,553	1,511,567

* Plus U. S. imports.

Russian Spring Wheat Feels Heat Wave Too

A large part of the Russian spring wheat belt was blanketed in a heat wave last week, while the remainder was swept with heavy rains.

JAPS TO TAX SELVES

Beginning Jan. 1, 1937, Japanese exporters of silk are to tax themselves 5 yen per bale exported to raise a fund of 2.5 million yen (about $700,000) for advertising in the United States the uses and distinct qualities of silk.

The fund is to be paid to the Central Raw Silk Assoc., which will be in charge of the propaganda work.

The number of fish canning and curing plants in operation in British Columbia during 1935 was 93. These provided employment for 6,030 persons.

New Wheat

Some rain has recently fallen in the U. S. spring wheat section of the northwestern states, but it is too late to help wheat except for livestock feed purposes.

* * *

Scattered showers throughout the Canadian wheat belt this week renewed hopes of partial recovery and a total yield of from 200 to 250 millions of bushels.

* * *

Ontario is harvesting a fair crop of fall wheat, probably in the neighborhood of 15 million bushels. This crop was largely made before the drought became serious.

* * *

New wheat acreage in the Argentine is slightly less than expected in view of the high government guaranteed minimum price. Unfavorable weather, since remedied, interfered with seeding.

U.S. Crops Short, Look to Canada

American Grain Prospects Far Below Normal Consumption

While higher prices, of course, may reduce consumption below normal requirements, nevertheless it appears exceedingly doubtful whether United States can balance her grain books this year.

Current estimates, which may still be further reduced with a continuance of unfavorable weather, normal consumption and average yields of the major grain crops are as follows:

U. S. Crop Summary
(Figures in millions of bushels)

Crop	Present estimate	Normal consumption	1928-32 crop average
Corn ...	2,000	2,250	2,553
Wheat ..	612*	655	863
Oats	800	1,110	1,215
Barley ..	184	260	281

* Of which over 500 million bushels is winter wheat, already largely harvested.

With a possible exportable surplus of 250 million bushels of wheat and considerable barley and oats, notwithstanding the present serious drought, Canadian producers and Canadian grain markets are vitally interested in the American outlook.

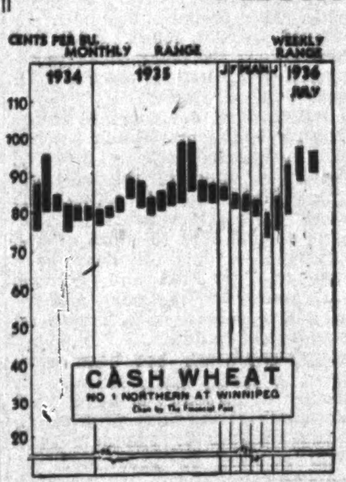
Pedlars vs. Agents Worries Authorities

The question of the difference between a pedlar and a manufacturers' agent is causing worry to municipalities which have a by-law requiring pedlars to pay a license before operating, but with no jurisdiction over a person who carries written authority from a manufacturer to sell his product from door-to-door, says Hardware and Metal, Toronto. It quotes the following example described by the Picton Times (Ont.):

"Two men, with a Quebec license on their car, came to Picton, parked in the centre of the business district and went their way up and down the streets soliciting business. Webster says a pedlar is one who sells from place to place and retails by carrying from customer to customer. That is what these men did, but were they pedlars? No! They had written authority from the manufacturer of the polish and so they were manufacturer's agents!

"There is a town by-law which states that it is necessary for pedlars of this type to pay $150 for a license to operate in Picton. Apparently, however, if any person selling anything has written authority from the manufacturer of the article, the pedlar becomes an agent and under provincial statute nothing can be done to stop him taking hundreds, or thousands, of dollars out of any town in Ontario. In other words, the town by-law isn't worth the paper it is written on as almost any pedlar can obtain such authority from a manufacturer."

Wheat Prices



(Cash Quotations)

At Winnipeg:	For Week July 21 High $	For Week July 21 Low $	Prev. Week High $	Prev. Week Low $
1 Man. Hard ...	.95¾	.93⅞	.96¾	.91⅝
1 Northern	.94¾	.92⅞	.95⅛	.90⅝
2 Northern	.93⅜	.91⅝	.93¼	.88⅞
3 Northern	.90¼	.84¾	.88¾	.83⅞
4 Northern	.84⅝	.82½	.83½	.78⅞
5 Wheat	.78⅛	.76	.78	.72⅜
6 Wheat	.78⅛	.76	.76¼	.69
Feed Wheat	.61⅛	.59¾	.61	.54⅞
Vancouver: Week to July 21:				
1 Northern	.91⅝	.89½	.92	.87⅜

Competitive Export Prices:
(July) shipment.

	High	Low
	Week to July 17	
No. 1 North. (Vanc.) ...	1.09¼	1.04⅞
No. 2 North. (Atlan.) ...	1.08½	1.04½
No. 2 North. (Vanc.) ...	1.07⅝	1.02½
Hungarian*	.94¼	.89⅝
Argentine Rosafe	unquoted	
Do., Barusso	unquoted	
Australian (Afloat)	1.03¾	1.02⅛
Australian	1.05⅜	1.02⅞
French	unquoted	

*Old and new crop, July-Aug. shipment.

Winnipeg Grain Futures

Week to July 21, 1936

Crop year from Aug. 1, 1935 High	Low		Open July 15	High for week	Low for week	Close July 21
		Wheat				
.93⅜	.73⅛	July	.91½	.96⅜	.91½	.93½
.96	.74⅝	Oct.	.90⅞	.96	.90⅝	.92⅞
.96	.76½	Dec.	.90⅞	.96	.90½	.92¼
		Oats				
.43½	.30	July	.39¼	.43½	.39¼	.41⅛
.42⅝	.29⅝	Oct.	.38	.42⅝	.38	.40⅝
.41⅝	.28¼	Dec.	.36⅞	.41⅝	.36⅞	.38⅞
		Barley				
.54½	.35⅝	July	.51⅝	.54½	.50¾	.50⅞
.52⅛	.34⅛	Oct.	.48⅛	.52⅛	.47¾	.48
.51½	.33	Dec.	.48	.51⅛	.47	.47½
		Flax				
1.72⅞	1.40¼	July	1.68½	1.72⅞	1.64¼	1.64¼
1.72⅞	1.37½	Oct.	1.65	1.72⅞	1.63⅜	1.64¼
1.69½	1.49½	Dec.	1.64	1.69⅛	1.61⅛	1.61¾
		Rye				
.61⅝	.39⅛	July	.58¾	.59⅞	.56⅜	.56½
.63	.41⅛	Oct.	.58⅝	.61⅛	.56⅜	.57⅞
.62⅞	.42	Dec.	.58¼	.61⅞	.57¼	.57½

GRAINS IN STRONG POSITION

We offer you the facilities for trading afforded by our different grain memberships.

Bongard & Company

80 KING ST. WEST, TORONTO. EL. 8381
GUELPH KITCHENER WINDSOR HAMILTON

The Toronto Stock Exchange
Winnipeg Grain Exchange
Chicago Board of Trade
New York Curb (Assoc.)
Montreal Stock Exchange
Montreal Curb Market
Commodity Exchange Inc.
Canadian Commodity Exchange Inc.

GRAIN MERCHANTS In World Trade

Owning and Operating
Terminal Elevator at Port Arthur
(Capacity 5,500,000 bushels)
Over 200 Elevators in Western Canada
EST. 1857
SHIPPERS & EXPORTERS

JAMES RICHARDSON & SONS Limited

WINNIPEG REGINA MONTREAL MOOSE JAW VANCOUVER SASKATOON TORONTO CALGARY KINGSTON

TORONTO ELEVATORS LIMITED

Capacity:
Toronto, 4 Million Bushels
Sarnia, 3 Million Bushels

The most modern facilities for the storage and transfer of grains, for grain conditioning, and for the production of Master feeds for Livestock and Poultry. "Master" feeds are endorsed and recommended by leaders in the livestock industry of Canada.

Toronto Elevators Ltd.
also Owning and Operating
The Sarnia Elevator Co. Ltd.
QUEEN'S QUAY TORONTO

RELIANCE GRAIN COMPANY LIMITED

Owners and Operators Country Elevators and Terminals
Exporters and Shippers

SMITH, MURPHY CO. INC.

510 PRODUCE EXCHANGE, NEW YORK
Head Office: 919 Grain Exchange, Winnipeg
Branch Offices: Toronto and Vancouver

N. M. PATERSON & COMPANY LTD.

Own and Operate
One Terminal Elevator in Winnipeg
Two Terminal Elevators in Fort William
109 Country Elevators
Total Storage Capacity 6,925,000 bus.
31 Vessels on the Great Lakes
Total Carrying Capacity 4,500,000 bus. per trip
Head Office: FORT WILLIAM, ONT.

NATIONAL ELEVATOR CO., LTD.

WINNIPEG, MAN.

COUNTRY ELEVATORS IN THE WESTERN PROVINCES TO SUPPLY SELECTED OATS, BULK OR SACKED, FOR LAKEHEAD SHIPMENTS FOR EASTERN TRADE

WINNIPEG, CALGARY, EDMONTON, PORT ARTHUR

A Complete Investment and Trading Service

STOCKS .... BONDS
GRAIN ..... MINES

MELADY, SELLERS & CO. LTD.

Grain Exchange WINNIPEG Phone 92709

FEDERAL GRAIN LIMITED

OPERATING TERMINAL ELEVATORS - FORT WILLIAM - PORT ARTHUR - VANCOUVER
423 COUNTRY ELEVATORS THROUGHOUT THE WEST
101 COAL SHEDS
Our Service and Facilities Guarantee Satisfaction

Exports of bacon and hams, shoulders and sides from Canada during May totalled 14,806,800 pounds compared with 9,510,000 pounds in April and 12,478,900 pounds in 1935. Practically all of this meat went to the United Kingdom. The May exports were valued at $2,430,752, compared with the May, 1935, valuation of $1,931,203.

Your Questions Answered Without Charge

As a subscriber to The Financial Post you are entitled to information regarding any Canadian investment that you are interested in.

If not already a subscriber, address your enquiry to The Investment Department when sending in your subscription.

USE THIS COUPON

THE FINANCIAL POST,
481 University Ave.,
Toronto 2, Canada.

Please send me The Financial Post for the next year (52 issues). I enclose $5.00.

Name ....
Occupation ....
Address .... F.P.

The Week in Mining

Coppers Jostle Golds As Market Stays Active

Healthier Statistical Position Behind Current Rise in Price of Red Metal

Copper stocks have been jostling golds during the past week, as the statistical position of the red metal continued to strengthen. The improvement in the copper situation has been slow but steady, and lacking any sensational developments, has, until recently, escaped market attention.

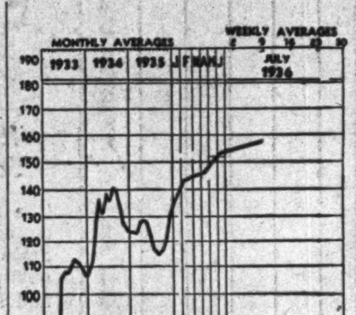
The New York export price for copper at 9.4 cents is the most encouraging figure attained for some time.

Behind this move in copper is a general lightening of world stocks, and a general increase in demand, especially within United States' own particular copper realm. Most informed observers are calling an early rise, as the momentum of this movement gains headway. Canadian copper stocks have not been slow to reflect this improvement, and such stocks as Sherritt-Gordon, Aldermac, and Coast Copper among the juniors, and Noranda and Nickel among the seniors have been particularly active.

Howe Sound Position

TANGIBLE evidence of this improved copper position, and the improved base metal outlook is contained in the report of Howe Sound Co. for the quarter ended June 30, 1936. In this period, earnings per share amounted to $1.18, as compared with $1.12 in the first quarter. While these earnings are less than the net income for the third and fourth quarter of 1935, they are considerably in excess of the earnings for a similar period last year.

Earnings for Howe Sound have shown in recent years a rather remarkable growth, indicating just how far base metal producers have come on their way out of the depression. In 1932, earnings per share were nil. Since that time, earnings have improved as follows: 1933, $1.75 per share; 1934, $3.75 per share, and 1935, $4.94 per share. Some of this improvement can be traced to the company's gold shipments but is at least partially due to improved non-ferrous metal prices.



* * *

England and Gold

QUERIED by New York ship reporters on the question of enormous gold holdings in United States, Mr. Montagu Norman, governor of the Bank of England, is reported to have remarked: "You can keep it. We don't want it."

This remark contrasts strangely with the fact that the very bank of which Mr. Norman is governor, acquired no less than £17,160,000 between June 10 and July 9, 1936. The total gold stock of the bank as at July 9 was £226,560,000.

During the past year, gold holdings of the Bank of England have increased steadily, this increase having become even greater in the past month or two. According to the monthly bulletin of statistics issued by the League of Nations, gold asset reserves in the Bank of England at the beginning of 1935 were in the neighborhood of £193 millions. By the end of that year they had increased to about £200.7 millions. In the first 6 months of this year they have increased to the figure given above.

It was generally thought that this desire of gold, denied by Mr. Norman was motivated by a desire of the United Kingdom to establish a war chest. The Alexander Hamilton Institute, however, points out that the Bank of England is permitted to issue notes up to £260 million secured only by government bonds. Notes issued in excess of this amount must hold a reserve of 100% in gold. The note circulation of the bank has increased to about £443 millions, and hence the desire for gold.

In the face of this situation, the remark of the Bank of England governor sounds strange.

* * *

Dome's Earnings

HIGHER costs and lower recovery per ton have combined to reduce Dome's half-yearly earnings, the 6 months report just issued by this company shows. Even without the late unlamented bullion tax, earnings per share in the first half of this year are $2.05, as against $2.32 per share in the first half of 1935, before depreciation or depletion.

One of the items which, as will be seen from the comparative tables carried in another column, should not be objected to by shareholders, is the outside exploration write-offs, which have been increased materially over last year's half yearly figure.

Recently, Dome has been reported active in numerous areas of Canada, in addition to its Sigma property in Quebec. The tendency toward outside exploration is growing among bigger Canadian gold mines, frequently to the profit of the company. Hollinger's subsidiary operations are an important, and potentially important, part of its makeup, and have proved profitable. Teck-Hughes, apparently, will have no reason to regret its commitment in Lamaque. McIntyre Porcupine has its Mud Lake operations, and Sylvanite, through Erie Canadian, exploration subsidiary, has been active in many fields.

Theoretically, established producers are the ideal medium for developing new gold properties for Canada, having, as they do, sizeable treasuries, and an experienced staff. Just how important an experienced staff is can be seen in the development of the Omega Gold Mines property at Larder Lake. Here McIntyre's staff, with the advantage of being familiar with the particular type of graphitic ore occurring at Omega, were able to do a real job in bringing this veteran property at last to the production stage.

* * *

Index to Mining Stocks

A REACTIONARY tendency in the gold group outweighed strength in the base metals causing the general index for 28 mining stocks to show a fractional loss. The index declined from 165.3 for the week of July 9 to 155.1 for the week of July 16. For the same period last year the index was 117.4.

The senior golds sold down during the week carrying the index for this group to 132.9 for the week ending July 16 as compared with 134.2 for the week ending July 9. This index was 109.4 for the week of July 18, 1935.

Base metals showed independent strength and the index gained 4.2 points, climbing from 243.2 for the week of July 9 to 247.4 for the week of July 16. The corresponding index for the week of July 18, 1935, was 152.2.

New Porcupine Stock is Listed

Shares of Central Porcupine Mines have been listed on the mining section of the Toronto Stock Exchange and were called for trading July 20.

The company has an authorized capitalization of 5 million shares, $1 par value, of which as at July 7, 1936, 3,565,118 shares had been issued. The company owns 13 claims in Tisdale Township and has an undivided half interest in 5 parcels containing about 121¼ acres. Under arrangements with Coniaurum Mines Central Porcupine has erected a plant at the Goldale shaft of Coniaurum consisting of electric hoist, air compressor, etc.

As at July 1, 1936, the main southern crosscut had been advanced a total of 3,522 ft. from the 1,000 ft. level of the Goldale shaft. The immediate objective now under way is to drive approximately 1,200 ft. in a southeasterly direction from the south end of 680 heading to explore territory in an area discovered April 20 of this year by diamond drilling.

In the balance sheet submitted to the exchange, current assets as of June 30 totalled $200,788 consisting of cash on hand and in banks of $186,100 and provincial bonds carried at cost of $14,688. Current liabilities amounted to $7,890, comprising $5,890 accounts payable and accrued wages $2,000.

June Production of Gold Sets New Ontario Mark

Production from Ontario gold mines in June struck a new high with a value of $6,751,195 from 37 producing mines. This compares with $6,511,801 in May.

The Kirkland Lake camp again stands out as Ontario's and Canada's greatest camp, with a production valued at $2,951,602, from 185,965 tons milled. Porcupine is a close second with production of $2,887,115 from 320,819 tons milled.

Mines in the Porcupine camp reporting production in June were, in order of output, Hollinger, McIntyre, Dome, Buffalo-Ankerite, Coniaurum, Paymaster, Anglo-Huronian (Vipond), Ross (Hollinger), Gillies Lake.

From Kirkland Lake the following reported production: Lake Shore, Wright-Hargreaves, Teck-Hughes, Sylvanite, Kirkland Lake Gold, Macassa, Toburn, Bidgood, Omega.

Three producers reported from the Matachewan area, namely, Young-Davidson, Matachewan Consolidated and Ashley.

In the large area known as Northwestern Ontario, 16 mines reported production in the following order of output: Pickle Crow, Little Long Lac, Howey, Central Patricia, Northern Empire, McKenzie Red Lake, Parkhill, Ardeen, Tashota, Kenora Prospectors, Darwin, Minto, St. Anthony, Wendigo, North Shores and Algoma Summitt.

The following shows the monthly production from the various camps, values being in Canadian funds:

Ontario Gold Output 1935-1936

	1935		1936	
	Tons Milled	Value $	Tons Milled	Value $
Porcupine:				
January	320,676	2,461,881	321,654	2,654,617
February	285,057	2,448,898	311,340	2,618,662
March	316,822	2,619,758	330,163	2,811,129
April	307,257	2,547,885	320,479	2,976,709
May	312,618	2,895,836	331,735	2,797,688
June	319,525	2,868,292	320,819	2,887,116
Total	1,861,955	15,842,548	1,936,190	16,745,920
Kirkland Lake:				
January	163,944	2,657,047	166,080	2,767,180
February	149,449	2,475,278	161,112	2,700,890
March	164,836	2,711,420	189,606	2,996,610
April	159,180	2,540,040	176,323	2,796,423
May	168,292	2,776,460	187,694	2,836,312
June	167,084	2,954,505	185,965	2,951,602
Total	972,785	16,114,750	1,066,780	17,049,017
Matachewan:				
January	20,964	97,016	29,280	116,704
February	21,877	93,750	27,868	111,182
March	23,752	105,058	33,383	136,847
April	24,929	111,568	32,920	133,437
May	26,164	126,948	31,279	104,538
June	25,761	113,060	34,434	129,966
Total	143,447	647,400	189,139	732,674
Northwestern Ontario:				
January	62,592	362,451	88,541	695,913
February	57,056	318,443	82,830	680,272
March	62,406	365,755	89,147	769,920
April	67,556	398,620	86,771	740,166
May	71,203	500,948	89,991	773,263
June	77,959	707,273	86,626	782,512
Total	398,772	2,653,490	523,906	4,442,046
Total for Ontario:				
January	568,176	5,551,388	605,555	6,234,414
February	513,439	5,336,369	583,145	6,111,006
March	576,816	5,801,969	642,279	6,714,506
April	558,922	5,598,113	616,493	6,646,735
May	578,277	6,300,192	640,699	6,511,801
June	590,329	6,643,130	627,844	6,751,195
Grand total	3,376,959	35,258,180	3,716,019	38,969,657

O'BRIEN IN THE HEADLINES

With exceptionally high grade ore from the 5th to the 9th levels, O'Brien Gold Mines, in the Cadillac, Que., area, shown above, has focused the attention of the mining market. Officials of this company have adhered to a close-lipped policy but field reports credit this mine with being one of the outstanding developments of the mining year. It was formerly a private company and brought to the production stage by the private finances of the M. J. O'Brien Ltd.

Red Lake Gold All Set to Go By August 15

Estimate 4 Years Ore in Sight for 125-ton Mill

ON 4 LEVELS

With over 4 years ore supply reported in sight, Red Lake Gold Shore's new 125-ton mill is practically completed, with building foundations, crusher, etc. installed, Dr. R. W. Breuls, recently returned from the property, informs The Financial Post.

With the expenditure of $40,000 for additional internal equipment, the present mill capacity can be doubled. The company has contracted with Ontario Hydro-Electric for 850 h.p. annually at a rate of $35 per h.p.

Red Lake Gold Shore's property, which is credited with instigating the revival of interest in this field, is developed by 4 levels. On the 182-ft. level, lateral extremity of the box holes is still in ore, and gives an average value of 2 oz. No box hole on this level has yet reached the lateral extremity of the ore body.

On the 300-ft. level, one 160 ft. ore length, averaging 18 ft. in width, assays .6 oz. per ton. One 80 ft. section, averaging 24 ft. in width, gives similar average values.

W. P. Mackle, engineer in charge, predicts the 425-ft. level will show an improvement over the level above. Drifting on the bottom, or 550-ft. level shows .37 oz. gold.

It is expected the mine average will show a minimum of 0.663 oz., or an average value of $23.20 per ton. Costs at Howey, adjoining, run around $1.75 per ton, and Red Lake Gold Shore estimates costs at not in excess of $5 or $6 per ton, with, of course, per ton costs declining as mill capacity is increased.

It is expected the new mill will turn over about Aug. 15. The company is amply financed to production, Dr. Breuls states.

Darkwater Rights Net $215,953 for Treasury

The offering of shares of Darkwater Mines to shareholders of Robb-Montbray Mines resulted in raising $215,953 for the treasury of Darkwater Mines, the company states. With these funds, Darkwater is purchasing machinery and supplies to be sent in to the property and will be capable of sinking a shaft to a preliminary depth of 300 ft. in order that the ore body indicated through drilling will be explored.

Lake of the Woods Area Now Boasts 3 Producers

Duport Also Slated for Early Production—Ore "Stubborn"

ECHO OF RUSH IN '90's

From Our Own Correspondent

HUDSON, Ont.—The Lake of the Woods area, scene of Canada's first gold rush back in the early '90's, is the centre of an important revival of interest in many of the old mines which were found many years ago as well as some of the more recent locations. With the recent addition of the Horseshoe Mines property to the list of productive mines, this area now claims 3 gold producers, while a fourth, Duport, is also slated for the early installation of a mill unit.

Milling Difficult

The refractory nature of Lake of the Woods ore has made milling efforts so far attempted not altogether successful, but it is likely that, during the current year, flowsheets to extract 90% or more of gold from the ore will be worked out satisfactorily at the Wendigo and Kenora Prospectors and Miners properties where 50-ton mill units are installed.

The Horseshoe has not yet reported difficulty with extraction, but the "stubborn" nature of the Duport ore makes it necessary for considerable experimentation before this property can be brought to the productive stage.

Wendigo's Production

With machinery installed, Wendigo has been successful, since starting up its mill in February of this year, in bringing extraction up to about 70%, while, with the installation of a flotation cell at a cost of $2,500, this can be brought up to 90%. This property is recording regular production with the last shipment of gold in June having value of $4,719.

Kenora Prospectors and Miners is still experimenting with its unit and expects to work out a satisfactory arrangement for milling shortly. In the meantime regular shipments of gold are being received at Ottawa.

Horseshoe Mines' Mill

The old Regina or Black Eagle mine, now owned by Horseshoe Mines, is the newest of the Lake of the Woods gold factories. A 75-100 ton mill is being fed with 20 to 50 tons of tailings from the mill which operated early in the century. It is estimated the 20,000 tons of tailings average $5.35 per ton, while in the mine are 12,000 tons of ore with average grade of $14. The mill is producing a concentrate which must be shipped out for further treatment before final recovery of gold is made. This property has been dewatered to the 650-ft. level and preparations are being made to resume development of ore for mill-feed.

Underground development at the property of Duport Mining Co. has been proceeding steadily for well over a year, funds for this work being supplied in an unique way. The property contains a rich vein averaging around $155 to a ton of ore. Shipments of this ore have been made to Flin Flon and Tacoma, Washington, for treatment, and returns have been used to finance all development to date.

Sufficient work has been completed to justify early milling. A meeting of directors is being held this month at the mine property to decide whether to complete final plans relative to production by finances raised from further shipments of the high grade or whether outside funds should be raised. The Duport is on the verge of coming into the select class and promises to be this old camp's fourth gold yielder of recent years.

Lindsley-controlled

The Kenora Prospectors property is controlled by the Lindsley interests which also have an important interest in the Duport. It is due to this interest principally that the Lake of the Woods has staged its comeback as, following the efforts made by the Lindsleys, came the renewed interest in the Wendigo and Horseshoe as well as the dozen or more other active properties in the area.

Central Manitoba Has 4 Months' Ore

Ore reserves are estimated at 12,000 tons by Central Manitoba, in the quarterly statement for the April 1 to June 30 period. At the milling rate averaged during the period under review, this would be sufficient to supply the mill for a period of about 4 months.

For the quarter, loss, before write-offs, but after development charges, amounts to $3,273. Production amounted to 2,976 oz. of gold valued at $104,336, from 9,742 tons of ore milled. This works out to a recovery per ton of about $10.70.

Working capital was reduced from $255,710 to $244,609. Current assets at June 30, consisted of cash and bullion on hand $127,814, and stores and supplies of $86,490.

Make 1st Shipment From B.C. Nickel

B. C. Nickel Mines, long an enigma to market men, will make its first commercial shipment of nickel ore from Vancouver the first week in August, The Financial Post is informed. The shipment is destined for the Orient, and will consist of 500 tons of high grade ore running 5 to 6% nickel. The Oriental interests placing the order have already, it is understood, taken experimental shipments of concentrates. The ore is being trucked to the railway, 3 carloads, comprising 141 tons, having reached Vancouver.

At the property, the company is reported to be making good progress toward its objective of 2 million tons of ore as a requisite for mill construction.

Dome Profits Show Decrease

Estimate Indicates $2.05 Per Share in First Half

On the basis of 953,334 shares outstanding, Dome's estimated earnings for the first half of this year were in the neighborhood of $2.05 per share, a slight drop from the $2.32 per share earned in 1935 half yearly period.

Much of the decrease was due to higher development, operating and general expense, which in the 1936 period works out to about $4.40 per ton, as against a 1935 figure of $3.92 per ton. Greater amount was, in addition, written off outside exploration account.

During the first 6 months, the mill handled 276,800 tons, from which gold bullion grossed $3,389,100. This is a recovery per ton of about $12.24, as compared with the higher figure of $13.32 per ton in the first half of 1935.

Estimated earnings for the 2 periods, before depletion, or depreciation follow:

Estimated Earnings
6 Months ended June 30

	1936 $	1935 $
Bullion prod.*	3,352,368	3,341,793
Less: Devel., oper. & gen. expen.	1,220,348	1,076,184
Taxes	351,734	†239,754
Outside explor. w/o	11,833	3,172
Operating profit	1,768,473	2,022,683
Add: Non-oper. rev.	183,995	190,233
Prof. before depr. & depl.	1,952,468	2,212,916

*After deduction of $36,712 mint charges in 1936, and $304,646 gold bullion tax and mint charges in 1935.

†After deducting reserve set up in 1934.

Gold Eagle Drift Still in High Grade

President Returns From Visit to Red Lake Operation

After a 2 weeks visit to the property, Walter F. Stafford, president of Gold Eagle Gold Mines, whose stock has been one of the features of unlisted trading in recent weeks, states that at the present time about 65 men are employed underground and in preparing the property for power.

Centre of interest continues to be on the 500-ft. level No. 1 shear zone, where drifting has progressed to 281 ft. Sampling has indicated that this zone continues high grade throughout the entire length. The No. 3 shear zone, which intersected the No. 1, appears, according to Mr. Stafford, to have pushed through it and continued its independent course. The distance now opened on the No. 3 zone north of the crosscut is 159 ft. all in ore. South of the crosscut, the No. 3 has been drifted on for 125 ft., in ore.

Gold Eagle property adjoins McKenzie Red Lake in the Red Lake district of Northern Ontario.

United Empire Gold & Silver—Arrangements for refinancing United Empire Gold & Silver Mining Co. have been concluded, The Financial Post understands, after being closed down for over a year. The property is 2 miles north of Stewart, B.C. in the Portland Canal section.

NORTHERN CANADA
MINING CORPORATION,
LIMITED
New mines financed, managed and developed to production.
44 Victoria Street, Toronto, Can.

Trade Stock Of Chromium On Exchange

New Industry Already Plans Increased Production

$471,870 IN CASH

Chromium Mining and Smelting Corp. stock has been approved by the Toronto Stock Exchange, and the stock was called for trading on the mining section July 20.

The company, incorporated in May, 1934, has its head office at 700 Canadian Bank of Commerce Bldg., Hamilton, Ont., and an authorized capitalization of 3 million shares no par value. Of this amount, 2,450,000 shares are issued, the listing papers show.

The company has sold a total of 1,587,867 shares for cash, netting the treasury $853,500, and has issued 862,133 shares to shareholders of Chromium Alloy Co. Ltd. for assets of the later company. The company reports that the concentrator of an initial capacity of 100 tons daily will be in operation shortly, and provision has been made for an increase in daily capacity to 300 tons.

To Boost Smelter

The smelter, at Sault Ste. Marie, Ont., was brought into production in August, 1935. Recently, as reported in The Financial Post, directors approved of an expansion in smelter capacity. A third furnace is expected to be in operation shortly.

In the balance sheet submitted to the exchange, current assets as of May 31, 1936, were given at $554,579, which consists mainly of cash $471,870; finished inventory $37,445 and stores $31,469. Total mine assets were given as $585,601, and smelter assets at $220,333. Current liabilities at $26,659 comprised accounts payable $19,886 and accrued wages $6,773.

Winoga, Kaw Crow Reveal Four Zones

Geophysical Survey Relates Showing to Pickle Crow Ore Body

Geophysical survey on the properties of Winoga Patricia and Kaw Crow Patricia Gold Mines has indicated 4 zones of structures striking slightly north of east, the direction of strike of the main vein of Pickle Crow Mines, The Financial Post is informed.

Dr. Hans Lundberg directed the surveying. The rock formation of the area strikes northeast.

The most pronounced structure runs through the middle of the Winoga property and strikes into Kaw Crow ground. This structure is almost in line with Pickle Crow's main vein, and the management proposes to explore its possibilities at once by a series of north-south diamond drill holes.

Rahill Red Lake's Drill Cuts Favorable Ground

Number 2 drill hole at the property of Rahill Red Lake Mining Co. cut 8 ft. of shearing with gold quartz and mineralization, W. P. Mackle, engineer in charge, has reported to the Toronto office. The drill hole was not expected to enter favorable ground for some 200 ft. farther.

Recent important ore discoveries on the 500-ft. level of the Gold Eagle Gold Mines property are now within 200 ft. of the Rahill boundary.

Reliance Gold Financed To Start Driving Tunnel

Driving of a low level tunnel on the property of Reliance Gold Mines, in the Bridge River area of British Columbia will start immediately, John R. Sigmore states. Drilling, it is claimed, has proven the continuation of the ore body from the upper to the river levels. Arrangements have been made with United States capital to finance development, and call for an estimated expenditure of $150,000, to be handled through Reliance Operating Syndicate. Ultimately, if it fulfils its contract, the syndicate will receive 575,000 treasury shares of Reliance, and 25% of the net profits.

We recommend purchase at the market
BLUE STAR
Information upon request.
Lloyd Lott & Company
Limited
401 Bank of Hamilton Bldg.,
67 Yonge Street, Toronto
WAverley 2989

N. C. URQUHART & CO.
STOCK BROKERS
Members Toronto Stock Exchange
15 King Street West Toronto, Ont.
ADel. 6028

Que-On Mines Is Holding Co.

New Company Has Strong Directorate — Offering Made

Organized as a participating holding company, Que-On Mines Ltd. is currently offering 899,995 shares, through Seagram Harris, & Bricker, members of the Toronto Stock Exchange, and Johnston & Ward, members of the Montreal Stock Exchange. The issue price is $1 per share.

Que-On Mines has an authorized capitalization of 1 million shares, $1 par value. For transfer of assets, 100,000 have been issued.

Holdings and interests of the new company consists of 125,000 shares of Numaque Mining Co., and an option on an additional 175,000 shares; stock options on a 60% interest in Dorval Siscoe Gold Mines; an option on 2.2 million shares of Snowshoe Gold Mines, organized to develop the Varsan properties west of Siscoe; an option on a 66 2/3 interest of Traverse Long Lac Mines, adjoining Elmos Gold Mines, and an option to purchase two-thirds of the capital stock of Portage Long Lac Gold Mines.

Officers and directors of Que-On Mines comprise Reg. Halladay, of Halladay & Co., members of the New York Stock Exchange, president; Edward F. Seagram, vice-pres., Dominion Life Assurance Co., vice-pres.; Goodwin R. Harris, partner, Seagram Harris & Bricker, Toronto; Louis Brochu, president of Reid-Authier Mines, F. Ralph Ramsay, president of Biltmore Hats Ltd., and Arthur Notman, consulting engineer of New York, directors.

At the Mines

Aldermac Mines — The 1,249,674 shares of Aldermac Copper Corp. stock issued for the assets of Aldermac Mines are now to be distributed to Aldermac Mines shareholders, on the basis of one Aldermac Copper Corp. for each 4 Aldermac Mines shares held. Distribution is being made through Chartered Trust and Executor Co. Toronto.

* * *

Bidgood Kirkland Gold Mines—Field advice indicates that millheads have increased materially, and production is running at the rate of about $50,000 per month. Underground development work is said to be progressing favorably.

* * *

Consolidated Gold Alluivuals of B.C. — Reports June production at 733 ounces, bringing total production for the half year to 3,778 ounces.

* * *

East Malartic Mines—Advises the Toronto Stock Exchange that an additional 6,200 shares at 40 cents per share have been taken up under the underwriting and option agreement dated October 31, 1935. Balance of option covers 71,879 shares at 40 cents per share; 250,000 shares at 60 cents and 215,000 shares at 80 cents per share.

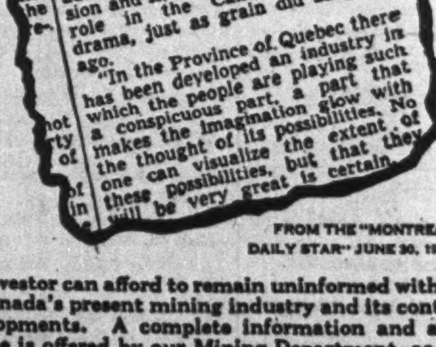
* * *

Prince Albert Gold Mines—Alex. Hutchen, secretary of Prince Albert Gold Mines in Northern Saskatchewan near Flin Flon, informs The Financial Post that Dr. Frank J. Wright has taken a lease and option on the claims and has undertaken to begin work before August 31, 1936, and to spend $100,000 on the property within the next 3 years.

UNLISTED MINING AND INDUSTRIAL STOCKS AND BONDS
The following facilities are offered by this firm for a fast and reliable service on unlisted transactions.
- All unlisted mining and industrial transactions handled through our unlisted department on a commission basis corresponding with the rates charged on listed issues on The Toronto Stock Exchange.
- Private wires connecting the principal trading centres and Northern mining areas assure fast execution of clients' orders on the best market.
- Wire system extends from Vancouver to Montreal and is linked to New York and Chicago.
- All bond transactions handled on a commission basis.
WAverley 7881
F. O'HEARN & CO.
STOCKS BONDS GRAIN
11 King St. W., Toronto
MEMBERS:
THE TORONTO STOCK EXCHANGE
MONTREAL CURB MARKET
WINNIPEG GRAIN EXCHANGE
CHICAGO BOARD OF TRADE
CANADIAN COMMODITY EXCHANGE INC.
OFFICES:
OTTAWA TORONTO
MONTREAL SARNIA
HAMILTON NORANDA
SUDBURY OWEN SOUND
COBALT TIMMINS
KIRKLAND LAKE, NORTH BAY

KENAKOTT KIRKLAND
GOLD MINES, LIMITED
Property consists of over 700 acres
ONE CLAIM NORTH OF BIDGOOD KIRKLAND,
EAST KIRKLAND LAKE AREA
Doubled crew of men now rushing surface development under direction of James E. Grant, M.E., Consulting Engineer, and E. L. MacVeigh, B.A., M.Sc., geologist. Financial arrangements are being completed to assure for this property development to the production stage.
For further information, write or telephone the company.
38 King St. West ADelaide 2900 Toronto

"CANADA'S MAIN PROP" . . the Mining Industry
The tremendous importance of Canada's Mining Industry today is widely recognized. In outlining plans for the formation of a Chamber of Mines, by the Montreal Board of Trade, Mr. J. L. Carson, President, said recently:-



"The mining industry was Canada's main prop during the depression and is still playing the leading role in the Canadian business drama, just as grain did 25 years ago.
"In the Province of Quebec there has been developed an industry in which the people are playing such a conspicuous part, a part that makes the imagination glow with the thought of its possibilities. No one can visualize the extent of these possibilities, but that they will be very great is certain.
FROM THE "MONTREAL DAILY STAR" JUNE 30, 1936
No investor can afford to remain uninformed with regard to Canada's present mining industry and its continuous developments. A complete information and advisory service is offered by our Mining Department, as well as full facilities for the purchase and sale of securities.
Full information is gladly given to all enquirers. Write, wire or telephone us.
JOHNSTON AND WARD
Head Office: THE ROYAL BANK BUILDING, MONTREAL
Members: Montreal Stock Exchange
Montreal Curb Market
Canadian Commodity Exchange, Inc.
Branches: Montreal, P.Q.; Toronto, Ont.; Kingston, Ont.; London, Ont. Moncton, N.B.; Saint John, N.B.; Halifax, N.S.; Sydney, N.S.
129

Two Veterans Of Shiningtree To Join Forces

Shinintree Gold and Kingston Take Steps to Merge Efforts

BOTH HAVE ORE

From Our Own Correspondent

SUDBURY.—The merging of 2 pioneer West Shiningtree properties was brought a step nearer with the acceptance by shareholders of Kingston Mines, meeting in London, Eng., of a proposal of Lionel Brooke, that that company join hands with Shinintree Gold Mines. The formal contract is to be completed and the deal referred to shareholders of Shinintree Gold in due course.

Shinintree Gold is operating the old Gilbert Bennett claims, and Kingston is adjoining. Shinintree has sunk a shaft to 100 ft. and is now drifting on a high grade vein in both directions from the shaft. This underground work, the management states, has resulted in disclosing the same high grade ore as was in evidence on surface and in the shaft for most of the distance.

On the Kingston claims approximately $150,000 is said to have been expended and ore to the value of $200,000 indicated to a depth of 100 ft. Diamond drilling, it is stated, has proved the extension of the vein to a depth of 350 ft., with values averaging $30 per ton.

With definite conclusion of the merger, it is understood, enlargement of operations will follow. Recently, Shinintree management announced a small mill was contemplated, and it was hoped to bring the property to production by the end of this year.

Behind the Mining Boom

Financing by Option Requires Publicity to Eradicate Evils

Is Generally Admitted To Be Best Method of Raising Funds Yet Devised — Lends Self to Abuse

The interest which the public is showing in the mining market makes timely, The Financial Post feels, a general discussion of the broad factors underlying boom conditions such as exist in this field today. This is the second of a series aimed at opening up such a discussion, and deals with the option method of financing.

Financing a gold mine is unlike any other kind of financing. If this basic fact were grasped more thoroughly, there would be less misunderstanding of mining on the part of the general public and on the part of experts in other forms of industrial financing. Less misunderstanding means less grief.

Raising money for a mining proposition is unlike any other money raising effort, because mining is unlike any other proposition. Not only does the obvious fact exist that the element of hazard is far greater at the money raising stage, but, broadly speaking, the hazard occurs largely at a different stage in the history of the company.

For example, if a man is raising money from the public to finance the manufacture of biscuits, the public can assume, given honest promoters, that biscuits can be manufactured. The stock salesman's job is to convince the public that there is a market for biscuits. In mining the shoe is on the other foot. The mining stock salesman does not have to convince the public that there is a market for gold, but that gold can be found. Hence the greater degree of speculation, because it is patently easier to prove whether or not a market exists, than it is to prove that gold exists in commercial quantities half a mile or so under the moss and rock of northern Ontario or Quebec. Briefly, then, the major hazard in an industrial speculation comes after the production stage, but in mining, it comes before production. In mining, pre-production development costs are very large, thus intensifying the hazard.

To meet this peculiar problem, a system known as option financing has been evolved. While this system is generally conceded to be the most satisfactory available, it lends itself to certain abuses which have only partially been precluded by blue sky laws of the past few years.

Three Types of Purchasers

When a prospector stakes a property, he has recourse to 3 types of purchasing groups. First there is the group composed of businessmen and others, usually living in the neighborhood of the property, whose aggregate capital may be comparatively small, but sufficient to develop the property. Secondly there are large scale mining concerns, who maintain a staff for examining and developing prospects, and thirdly, the prospector may go to a promoter, or to a broker, to sell his property.

The large majority of the public holding mining stocks today obtained them from the third group. The first group usually desire to develop the property with their own funds, and form syndicates or companies for this purpose. If they do have recourse to the general public, it is usually after preliminary work has been done, and some of the speculative edge has been taken off. The same is true of the second group. Most properties being developed by large mining concerns are financed from the profits of another mine. If the parent company appeals to the public, it is, more often than not, after the spadework has been done, and the property has some promise of success.

Dependent on Public

But the promoter, and the broker, leans 100% on the public, on whom he is dependent for money from the drop of the hat. Thus the broker has to assume the odium if the property is a flop. It is debatable whether the percentage of failures is greater among properties financed by the promoter than among properties whose finances have been obtained from the first 2 classes. If a property is developed by a small group of local men, and proves a failure, little is heard of it. The record of properties developed by large Canadian mining concerns as subsidiary operations has not been particularly brilliant.

Success or failure is not confined to any one of these groups. It is in the nature of things, however, that the failures of the promoter should receive the widest circulation.

Theoretically, options are supposed to supply the elasticity which the speculation in mining finance requires. The practice is simple and well known. A promoter or a broker takes, and pays for, a small block of syndicate units or company stocks, and receives in return options on further blocks, usually at varying prices, and at varying times. The theory is that development of the property should enhance the value of the stock. The difficulty, of course, is to gauge just how fast the property will improve in value. Once in 10 thousand times the eager drill will pierce mineralization which multiplies the potential value of the property (and, of course, the stock) many hundred times in a few days. In such cases, the promoter, having the legal right to purchase stock at, say 25 cents a share, is able to turn it over to the public at many times that figure, and the law has no limit in this regard.

In the majority of cases, however, development of the property is slow. It is a slow task to block out ore bodies, and prove, beyond doubt, that a commercial ore body exists.

Creating a Market

It is this latter condition which supplies the unscrupulous promoter with his greatest temptation. It is a comparatively simple thing to "create" a market for stock considerably in advance of property development. Herein lies one of the greatest evils of option financing. The worst feature of this phase of option financing is, of course, that while the stock may be selling at $1 per share, either in the form of an offering to the public, or through the exchange, only a small fraction of this amount may go into the treasury of the company for future financing.

When an advertisement states, usually in small type, that the offering has been subscribed for, and proceeds do not go into the treasury of the company, would-be purchasers would therefore do well to ascertain at what price the stock was purchased by the security company making the offering.

A hypothetical case illustrates some of the dangers of the option system, both to mining development and to the investing public.

Suppose, for instance, that a promoter takes an option on 50,000 shares at, say, 30 cents a share, when there is an approximate market price of 35 cents a share.

Provided there is not too much loose stock in the hands of investors, it is no great task to push the market price upward. This could be stopped, of course, if holders of large blocks were to unload. However, when public psychology is favorable, as at present, it is comparatively easy to raise the quoted price without having too many shares come into the hands of the share-pusher. In fact, what often happens is that as the price is raised, greed for profits lures many investors to buy for a further rise. The consequence is that the option-holder, by raising prices, is often able to unload at, say, 40, 50 or perhaps 60 cents a share. He has his profit, and the company gets its money, when he takes up the optioned shares to deliver to the investors who have bought on the rise.

It does not always happen just that way. The share-pusher's aim, of course, is to sell out at a profit. To do this, he sells shares, if he can, as the price rises. He sells even when he does not own the shares. That is, he goes "short," by selling stock that he doesn't possess. He cannot get caught, of course, because he has the option as a potential source of supply.

In such operations, it has happened not infrequently that collapse of the speculative fever brings the optioned shares down below the option price; in our hypothetical case below 30 cents, say to 20 cents. Then, an unscrupulous option-holder may be able to buy in the shares he has sold without ever exercising his option at all. His profit may be greater.

In such cases, the result is that the investing public has been fleeced, the company has not obtained its money at all, and the share-pusher has it all. Of course, mining firms do not usually get bitten twice by the same man.

Apart from a welshing operation of this kind, the chief objection raised to option financing is that it yields too great a profit to the promoter at too great a risk to the public. The view is widely held, however, that the raising of mining capital by this type of market manipulation is fairly cheap compared with more direct and high-pressure methods.

The stock exchanges in Canada have done much to eliminate the evils of option financing by making available to reputable newspapers, and the public generally, the terms of options taken on the stock of listed mining companies. But it is in connection with the unlisted stocks that this evil is most prevalent.

One of the weaknesses of present legislation is in this regard. While all companies with an Ontario charter are required to make annual returns, in which outstanding options are to be given, there is no way of checking up on options which do not happen to be outstanding at the time the annual return is made, except, as has been stated, in the case of stocks traded on the mining section of the exchange.

Some regulation of options is imposed by the Ontario Securities Commission. The Commission requires evidence that at least 30% of the total underwriting be in the form of cash. In addition, only the stock that has been paid for can be sold to the public.

"Firm Commitments"

Many persons consider the phrase "firm commitment" as synonymous with "cash." It is, of course, nothing of the sort. If a company reports it has a firm commitment on so many shares at such and such a price, it only means the promoter or security house promises to buy the stock. If he does not buy it, it becomes a debt, and the company has recourse through the ordinary channels of the civil courts. But anyone who has obtained judgment against a debtor, who is penniless, or has his capital sewn up in such a way that it cannot be touched, knows what a futile thing such a judgment is.

In studying the problem of option financing one thing becomes very clear, and that is, that the only way to overcome the abuses which are a necessary evil of this necessary system is by giving publicity to all option terms. Until some better way of raising money for mine development is arrived at, the various Security Commissions of the provinces could do a real job by insisting that all options, particularly on unlisted stocks, should be reported to government officials.

Only by publicity can the Mr. Hyde in options be suppressed, and the Dr. Jekyll fostered.

Mining Enquiries

Francoeur Gold

Francoeur Gold Mines has been highly recommended to me for a quick profitable turnover. Will you please give me whatever information you may have available on this property?

Francoeur Gold Mines is developing a property in the central section of Boischatel Township, Quebec. Development work underground has given encouraging results, and recently it was stated that visible ore supply totalled 27,000 tons. Of this amount, 13,000 tons was surface ore averaging $10 per ton, and 8,000 tons was on the first level averaging $8.50 per ton. The company is a speculation but has a strong board of directors, including Leo Timmins. The company will have, of course, to develop more ore before any consideration can be given to mill plans. In the meantime, however, results have been definitely encouraging.

As at December 31, 1935, the company's balance sheet showed current assets of $31,555, including $15,404 in cash against current liabilities of $6,537. Of an authorized capitalization of 3 million shares no par value, 2,056,666 shares have been issued and an additional 60,000 shares subscribed for but not issued.

British Petroleum

I have been offered stock in British Petroleum Co. and would like some information as to property location, directors, financial condition, and prospects. My local broker knows little about this stock.

The properties of British Petroleum Co. are in Plympton Twp., Lambton County, Ontario, 8 miles northeast of Petrolia.

The company has drilled 9 shallow wells for the purpose of obtaining structural information, and the first deep well is drilled to an approximate depth of 2,700 ft. The secretary of the company informs us that finances for the completion of this well are assured, and that "satisfactory" arrangements have been made for financing the second well.

In 1931, this property was reported on by James McEvoy, now deceased, who was on the staff of the Geological Survey of Canada. Mr. McEvoy, in his report, which we have seen, states that the holdings of British Petroleum are strategically located for an oil enterprise. Perhaps the situation is best summed up by Mr. McEvoy's statement: "No person can conscientiously say that oil is certain to be found in any new drilling. The best that can be said of this or any other field is that the conditions are favorable."

British Petroleum have not issued a financial statement as yet, although we understand that a prospectus is in process of preparation.

Halliwell Gold

Last winter I bought 10,000 shares of Halliwell Mines Ltd., and was told that these shares were to be converted in shares of Halliwell Gold Mines at the ratio of 5 for one some time in March of this year. I learned later that the conversion was postponed to next spring.

Would you be kind enough to give me your information on the matter?

Halliwell Gold Mines in Quebec is at the present time carrying out further diamond drilling in an effort to determine the extent of the ore body indicated by previous drilling. Necessary finances for this are at hand. The broad objective of present work is to locate the logical site for a shaft.

In order to finance future development, 300,000 shares of treasury stock were sold at 25 cents a few weeks ago. This offering was all taken up, and early this week an additional 300,000 shares were offered at 30 cents per share. We understand from reliable sources that at the present time about 150,000 of this new offering has been subscribed. This should put sufficient finances in the company's treasury to carry on a thorough exploration campaign.

As regards the stock issued to Halliwell Mines, we are informed that the distribution will eventually be one new for 3½ old shares. This distribution is held up until the Halliwell Gold Mines is financed and until development work is further advanced. This is customary mining practice, as you can readily understand that the release of a large block of stock at a time when the company is financing further work might handicap opportunities in this regard. No definite date has been fixed for this distribution, but it would appear that there is little possibility of obtaining your Halliwell Gold Mines stock at least until early next year.

Johnston and Ward are handling the current issues.

New Augurita Porcupine

What is the total acreage held by New Augarita Porcupine Mines, and number of shares issued? How much money have they to carry on development? Is it true that one drill hole showed 95 ft. width of $11.60 gold?

New Augarita Porcupine owns 560 acres in the Porcupine district. The company has an authorized capitalization of 3 million shares, of which 1.4 million were issued for properties. We are informed that approximately 15,000 additional shares have been issued under the new financing.

No financial statement has been issued, but company officials assure us they have sufficient funds to carry on a limited amount of drilling. For some weeks now the company has been saying this drilling will start "immediately." At time of writing, the drilling has not started. As regards the 95 ft. width and $11.60 value prominently referred to in the company's advertisements, we can only point out that the values and widths were allegedly obtained in the early days of the Porcupine camp. We have seen no confirmation of such widths, and it seems strange that with a width of 95 ft., showing $11.60 ore, the property has not received a thorough exploration before now. Even at old gold prices such widths would have warranted complete exploration.

Dorval Siscoe

We would appreciate a report upon Dorval-Siscoe Gold Mines Limited.

Dorval-Siscoe Gold Mines recently received approval from its shareholders of a plan to increase the authorized capitalization of the company from 3 million to 4 million shares. In addition to the firm underwriting on the present remaining treasury shares, which will net the treasury $170,000, officials state that options have been granted on the additional new 1 million shares on a basis which would provide the company with sufficient funds to develop the property to the production stage.

Present plans call for sinking the shaft to 1,000 ft. and exploring underground showings which to date have been fairly promising. The company hopes to cut the extension of the K vein at Siscoe Gold Mines.

Lake Maron

Has the outlook for Lake Maron Gold Mines improved recently? I notice the stock is active.

Lake Maron recently concluded arrangements with a New York interest, who will undertake several thousand feet of diamond drilling on the company's claims to the west of Elmos Gold Mines Limited in Little Long Lac. Drilling will be undertaken subject to an engineering examination. Lake Maron is concentrating its operations on the newly acquired group of claims lying to the east of Hard Rock, and an examination is being made of this property in preparation for spotting diamond drill holes. The company has announced that an option to take up 200,000 shares of its treasury stock at 5 cents a share and 100,000 at 7½ cents a share on or before July 31 of this year, has been exercised. This would indicate that the progress of the company's development is regarded as satisfactory by interests holding options on the stock.

Gale Gold Establishes First and Second Levels

The shaft at Gale Gold Mines, in the Siscoe area of Quebec, has been completed to a vertical depth of 275 ft., with two levels established at 125 ft., and 250 ft., shareholders were told at the annual meeting of the company in Windsor recently.

While it was not yet possible to estimate ore on the first level, stated J. B. Mosso, managing director, the vein was strong and well mineralized. First assay returns gave $7.70 across 58 inches.

A. Garska, of Grosse Point, Mich., and Jack Gagnon, Detroit, were elected to the board to succeed J. T. Nidd and C. S. McGaughey, of North Bay. Other officers were re-elected.

J. E. GRASETT & CO.
Members The Toronto Stock Exchange
302 Bay St., Toronto
WAVERLEY 4781

Branch Office:
2822 Dundas St. at Heintzman Ave. JU. 1167

Current Chatter From Manitoba

From Our Own Correspondent

WINNIPEG. — Discovery of a strong vein on the north of 54 group of claims, a short distance southwest of the town of Flin Flon, is reported. North of 54 adjoins Flin Flon Gold Mining Co., on which work has been continuously in progress for a considerable period and is considered of much importance to that property. The new find is described as a break from 4 to 14 ft. in width, well mineralized and with substantial values in gold. Where it crosses into Flin Flon Gold territory the terrain is swampy, but it apparently continues strong. Flin Flon is said to be negotiating for the property and in any event plan to explore its occurrence on their ground.

• • •

New Territory Active

A new territory that is receiving some attention this year is the Echimamish River on which Jowsey interests have some important holdings. The ground was prospected and staked last summer by Herb Cowan and further work has been done on it this year. It lies about 40 miles east of Norway House and was on the old canoe route to Island Lake. Pine Lake Gold is another company operating on the Echimamish and adjoins the Jowsey holdings. Pine Lake has just financed for preliminary development work and will have a crew on the ground in a few days.

• • •

Gold Production Jumps

Gold production in Manitoba at the end of June, 1936, was given at 78,507 ozs. or approximately $2,750,000. Figures are not complete but indications are production will be in excess of 88,000 ozs., or approximately $350,000 more than for the same period a year ago.

• • •

Canadian Mining Projects

Shareholders of Canadian Mining Projects, which went into liquidation, are to receive an equal share interest in 2 new gold finds, one in the Crow River section of northwestern Ontario and one in the Athabasca field. Intimation of this is contained in a letter sent by G. R. Laycock, who was largely responsible for the formation of Canadian Mining Projects. Mr. Laycock in his letter says he feels a responsibility to the shareholders of the former company and has, therefore, made arrangements to include them in the company now being formed for the development of the 2 properties now held.

East Malartic Mines Issues 25,000 More Shares

From Our Own Correspondent

MONTREAL. — Montreal Curb Market has listed an additional 6,200 shares of East Malartic Mines which have been taken up under option.

This leaves a balance of 571,879 shares still under option and brings the issued and outstanding total up to 1,328,321 shares.

Quebec Gold Output Higher

30% Increase for 1936 Is Expected by Mines Bureau

From Our Own Correspondent

MONTREAL.—Gold production in the province of Quebec for 1936 is expected to be 30% greater than in 1935, according to A. O. Dufresne, director of the Quebec Bureau of Mines.

In a survey covering mining progress, the director of the Bureau dealt particularly with the mining industry which was developed during the past 13 years in the counties of Abitibi and Temiscamingue, pointing out that it was the construction of the National Transcontinental Railway which made possible the mining development in that region, as it was only during the past 24 years that western Quebec had been open to prospectors.

300 Active Mining Companies

Showing the extent of the progress to date, Mr. Dufresne states that 18 properties in 8 years were brought into the producing stage; 3 of which, on account of low prices for copper and zinc, are momentarily closed down. Within the district there are not less than 40 properties where underground work is in progress, and, in all, there are some 300 companies holding mining rights, most of them active.

An idea of the significance and importance of mine prospecting in western Quebec was given by comparative figures of days of work on mining claims. In 1931 there were registered 124,000 days of prospecting work on mining claims and by 1935 this had increased to 566,000. Five years ago there was reported 23,486 feet of diamond drilling and last year this was increased to 160,000 feet.

Bulolo Gold Dredging Profit $261,520 in June

From Our Own Correspondent

MONTREAL.—Bulolo Gold Dredging reports production in June of 11,065 fine ounces, compared with 11,196 ounces in May and 9,061 ounces in June, 1935.

Estimated working profit last month was 7,472 ounces, equivalent to $261,520. This was in contrast with $267,190 in May, and with $206,180 in June of last year.

June production was recovered from one million cubic yards of gravel dredged. This was about 50,000 cubic yards less than in the previous month, but 70,000 cubic yards more than in June of last year.

An additional 8,644 shares of Bulolo Gold Dredging have been listed on the Montreal Curb Market. Authority also has been granted for the listing of an additional 51,356 shares on official notice of issuance. These are shares to be issued in connection with the recent financing through issue of rights to shareholders.

Player's Please
IT'S THE TOBACCO THAT COUNTS—
IN PLAYER'S YOU GET Vintage TOBACCO
20 FOR 25¢
CORK TIP OR PLAIN
PLAYER'S NAVY CUT CIGARETTES MEDIUM

New Brownlee Shares Listed in Montreal

From Our Own Correspondent

MONTREAL, — Old shares of Brownlee Mines have been removed from the unlisted section of the Montreal Curb Market, owing to the fact that no further share transfers may be effected. These shares have been replaced by 3 million shares of $1 par value Brownlee Mines (1936) Ltd.

Shares of the old company will be exchanged for shares of the new on the basis of one new for 5 old.

MOOSHLA

Our analysis of this important gold property in the Bousquet area, Quebec, is available upon request. Following very high average gold values the shaft is now being enlarged and deepened.

DRAPER DOBIE & CO.
Members
The Toronto Stock Exchange
ADelaide 9171
330 BAY ST. TORONTO

WE MAINTAIN ACTIVE TRADING DEPARTMENTS SPECIALIZING IN LISTED AND UNLISTED CANADIAN MINING AND INDUSTRIAL SECURITIES.

Our statistical staff would be pleased to answer inquiries regarding all classes of securities.

F. J. CRAWFORD & CO.
Members
Toronto Stock Exchange
Winnipeg Grain Exchange
Canadian Commodity Exchange Inc.
11 Jordan St. - Toronto
ELgin 2201

NEW ISSUE
899,995 SHARES
of
QUE-ON MINES, LIMITED
No Personal Liability
Incorporated under the Ontario Companies' Act

CAPITALIZATION
(As at July 6th, 1936)

Authorized 1,000,000 Shares
$1.00 Par Value
This Issue 899,995 Shares*

★ 100,000 shares have been issued for transfer of assets to this Company; and 5 shares have been issued for the sum of $5.00

OFFICERS and DIRECTORS

President
REG. HALLADAY
Halladay & Co., Members New York Stock Exchange, New York City

Vice-President
EDWARD F. SEAGRAM
Vice-President, Dominion Life Assurance Company, Waterloo, Ontario

GOODWIN R. HARRIS
Partner, Seagram, Harris & Bricker, Toronto, Ontario

LOUIS BROCHU
President, Reid-Authier Mine Limited, Montreal, Quebec

F. RALPH RAMSAY
President, Biltmore Hats Limited, Guelph, Ontario

ARTHUR NOTMAN, E.M.,
Consulting Engineer, 40 Wall St., New York City

Transfer Agent and Registrar — The Chartered Trust & Executor Company, 34 King Street West, Toronto, Ontario

PURPOSES OF COMPANY

To act as a participating holding company with broad powers to buy and sell mining properties, mining shares and deal in options, etc. It is the intention of the incorporators, through companies which it will control, to partially or fully develop properties, when a decision will be made by its Directors upon the advisability of offering shares at slightly above cost to holders of the Que-On Mines, Limited (N.P.L.) or otherwise disposing of them through underwriters or by private sale.

HOLDINGS AND INTERESTS

Numaque Mining Co. (N.P.L.)
The Numaque Mining Co. property, well known and located in the Lamaque-Sigma area of Bourlamaque Township, has recently been reported on favorably by Kenneth Muir, M.E., Engineer of The Mining Corporation of Canada, Ltd. Three drills are now in operation. To date, Que-On Mines, Limited profit is represented by 125,000 shares of Numaque Mining Co. (authorized capital 3,000,000 shares), and when an option is completed, it will be augmented by an additional 175,000 shares. Que-On Mines, Limited will still have the right to purchase 499,995 shares of Numaque Mining Co. at $2.00 per share within two years.

Dorval Siscoe Gold Mines, Ltd. (N.P.L.)
According to company reports, a large amount of diamond drilling has been done and the President, Mr. Tebbutt, reports that the "K" zone of the Siscoe Gold Mine has been cut by this drilling. Another favorable ore zone has been intersected on the northern portion of the property. A complete mining plant has been purchased, and is now on the ground. Diamond drilling is now being carried on with the purpose of determining the most advantageous site for a shaft. This Company has acquired stock options enabling it to purchase a 60% interest in Dorval Siscoe Gold Mines, Limited.

Miska (Varsan) Properties
The Varsan property lies west of the Siscoe Gold Mine and south of the Dorval Siscoe group. A mineralized shear will be drilled and it is probable that information will be secured from the first few drill holes to lay out a program for further development.

Snowshoe Gold Mines, Limited has been organized for the purpose of acquiring this property. Que-On Mines, Limited has the option to purchase 2,200,000 shares of an authorized capital of 3,000,000 shares of the new Company.

Lake Maron Properties
The Lake Maron property is situated west of and adjoining the Elmos Gold Mines, Limited. "Extensive trenching and stripping has disclosed several mineralized shears and quartz veins in the eastern section of the property," says T. L. Gledhill, M.A., Ph.D. "It is also significant that a north-south diabase dike cuts the formation near the west end of Long Acre Lake. Diamond drilling will be started immediately and concentrated in the vicinity of this intersection."

Traverse Longlac Mines, Limited has been organized for the purpose of acquiring this property. Que-On Mines, Limited will have the option to purchase a 66⅔% interest.

Longacre Property (North Group)
This property is located north and west of the Little Long Lac Mine. According to Dr. Gledhill, on Claim No. 10131 originally staked by Tony Oklend, there is a shear zone about six feet in width. Grab samples have assayed as much as $17.00 per ton. Both structure and geology are favorable and it is planned to systematically drill for the purpose of gaining sufficient information to warrant shaft sinking and underground work.

A Company known as Portage Long Lac Mines, Limited has been incorporated and has acquired this property. Que-On Mines, Limited has the option to purchase two-thirds of the capital stock of Portage Long Lac Mines, Limited.

QUE-ON MINES, Limited, so long as it maintains in force the respective options to purchase shares of the companies above referred to, will through its right to nominate the majority of the Board of Directors, have control of the respective companies.

ISSUE PRICE $1.00 PER SHARE
We Make the Above Offering of Shares Subject to Prior Sale and Allotment.

Seagram, Harris & Bricker
Members
The Toronto Stock Exchange
34 ADELAIDE ST. W., TORONTO
Galt Guelph Kitchener

Johnston & Ward
Members
Montreal Stock Exchange
ROYAL BANK BUILDING, MONTREAL
Toronto Kingston Saint John Halifax Sydney

Statements contained herein, while not guaranteed, are taken from sources which we believe reliable.

B. C. Radicals Real Force in Next Election

Conservatives and Liberals Have Stiff Battle on Hands

THEY WON'T MERGE

BY CHAS. SHAW

VANCOUVER.—British Columbia Conservatives having shied away from suggested coalition with the Liberals, and the left wing of the Co-operative Commonwealth Federation having gained the saddle in its own party, the real issue of the next provincial election is now clearer than ever.

The struggle will not be between the 2 old-line parties. For the first time in the history of the province, it will be a straight fight between sponsors of the traditional forms of government, orthodox financing and capitalism—and Socialism.

C.C.F. is Threat

Viewed at this distance, the prospects for the old-liners are none too bright, chiefly because the Conservatives and Liberals will be splitting their vote while the C.C.F., the most active political force in the province for more than 2 years, will be busy organizing a solid ticket and a big turnout of voters in all sections of the province.

Of course, no one seriously expected the Conservatives would drop their old hostility toward the Liberals. For one thing it would be a drastic diversion from the customary political set-up. Even back in the post-war years when Major-General A. D. McRae was organizing his Third Party there were Liberals opposing Conservatives. It was too much to expect that the Grits and Tories would bury the traditional hatchet in the face of the new common foe, which promises to be far more formidable than McRae's ill-starred provincial group.

Warns of Outcome

But there were influential prophets at the Conservative convention here this month, among them Rolf Bruhn, the sage of Salmon Arm and one of the wheel-horses of the Tolmie administration, often mentioned as one of the ablest members of the Conservative party in B. C.

Mr. Bruhn, who has been warning of the rise of the C.C.F. in and out of the legislature for several years, told the convention quite frankly that unless the 2 old parties sank their differences and combined their forces at the next election, they would be swamped by a Socialist party aiming at the overthrow of the present financial system—an eventuality that might be bitterly regretted in this province for generations.

Mr. Bruhn's warning and advice might have been practical in a sense, but it was not practical politics. Even though the policies of the present Pattullo government are basically identical to those of the Conservatives, personal antagonism toward Mr. Pattullo and his government, plus a natural dislike to scuttle the Tory party, were sufficient to kill the Bruhn proposal. The convention hurried on to the selection of a new leader and trampled down all thought of coalition.

Leader Untried

The new leader of the Conservatives, Dr. Frank Patterson, is a new figure in politics, althouh he has been president of the Vancouver Conservative Association and active in the party behind the scenes for some years. He is a well-to-do Vancouver physician, whose talents at leadership are yet to be tried, although he is exceedingly well thought of by friends in and outside the party. As the successor of Dr. S. F. Tolmie, who bogged down with the rest of the Conservative government in the last provincial election and recently staged an amazing comeback by return to Ottawa at the federal election in Victoria, Dr. Patterson faces an uphill task that will test his organizing ability and powers of inspiration to the full. No party has been in a sorrier plight than the Conservatives in B. C. during the last 2 or 3 years, although election of a new leader and the breath of approaching battle may effect a much needed regeneration.

The Liberals will probably go into battle with much the same front as they present now, although there has been some indication of an internal fight designed to break the control of the "Vancouver machine." If successful, this might lead to the presentation of a new flock of candidates and a radical shifting in Liberal party allegiances. Liberal policies, however, are not likely to be altered very much, so long as Mr. Pattullo is at the helm and John Hart runs the province's finances. Nor are the policies of government likely to be changed extensively by the Conservatives, whose platform differs from the Liberal on only minor points.

But the C.C.F. offers a vastly different platform. It was a far cry from the Liberal and Conservative statement of principles even before the Vancouver convention, which resulted in a rebuff to the cautious old guard headed by Rev. Robert Connell, present C.C.F. leader in the legislature, and victory for the left wingers headed by the radical Dr. Lyle Telford.

"Socialized" money and payment of the provincial debt by issuing script for currency, is declared an objective, if and when the C.C.F. party comes into power in British Columbia, by Telford.

Dr. Telford says the C.C.F. would first of all take over all the gold mines and then, having all the gold in British Columbia, would give the bondholders "all the gold they want."

"We must think primarily in terms of goods and services," he stated.

Mr. Connell, as a result of the convention, remains house leader simply because he happens to be senior elected member of the legislature, but the provincial presidency belongs to Dr. Telford and it begins to look as though party policy will be dictated by the little white-haired doctor whose voice has become familiar to radio listeners in recent years and who is out for "the whole hog" in Socialism.

What They Seek

An indication of the radical designs of the Telford group is seen in the platform which was adopted at the convention. It asks:

Provincial socialized finance and credit.

State control of distribution of essential foodstuffs; of logging, fishing and mining, gasoline and oil distribution, manufacture and distribution of liquor, and so on.

But while the victory of the extremist element in the C.C.F. has given some of the old guard a bad case of jitters, it may in the end be a boon for the parties clinging to the orthodox ways of democracy. British Columbia voters, somewhat weary of the sort of administration they have been having and eager for something new, might have been persuaded to give a chance to a "new deal" party pledged to a mild form of socialism designed to meet the changing conditions of the day, but those who know their British Columbia history seriously doubt whether an out-and-out radical group committed to state socialism of an extreme order will strike the popular fancy.

Programme Too Drastic?

A C.C.F. under the restraining influences of men like Connell would probably make a more successful bid for votes than a C.C.F. openly declaring itself for the tearing down of the present order.

GETTING READY

When the B. C. voters go to the polls in the next provincial election the 3 parties will be led by Premier T. D. Pattullo, Liberals (left); Dr. Frank Patterson, Conservatives (centre); and Dr. Lyle Telford, C. C. F. (right).

The left wingers of the C. C. F. handed a rebuff to mild-mannered, cautious Rev. Robert Connell when they relegated him to the House leadership of the group following the party convention which was captured by Dr. Telford's cohorts.

New Industries

Kraft Containers, Ltd., Hamilton, will be opened the middle of August. (Hamilton Spectator.)

Andrews Wire Works, Waterford, Ont., will add another extension to the plant to contain 10,000 sq. ft. of floor space. (London Evening Free Press.)

H. J. Heinz Co., Leamington, Ont., is building a new warehouse, the third in the series of additions and improvements to their plants. (Windsor Star.)

Canadian Industries Ltd., Windsor, Ont., will spend $12,400 for the construction of a one-story electrolytic cell room. (Windsor Star.)

E. B. Eddy Co., Hull, Que., has undertaken a programme of construction and mill improvements involving an outlay of $25,000. (Ottawa Evening Journal).

The Toronto Industrial Commission reports that:

Optical Products Corp. of New York has completed arrangements to establish a branch factory in Toronto for the manufacture of xylonite and metal combination spectacle frames.

Spiral Nail Co., manufacturers of wire nails, has acquired the plant on Eagle St., Weston, formerly occupied by Jamesway Ltd.

Krim-Ko Co. of Can., Ltd., manufacturers of a chocolate food product, has leased space in the Cowan Bldg., 100 Sterling Road.

Egry Register Co. (Can.) Ltd. manufacturers of continuous business forms for typewriters and registers, has moved from 58 Fraser Ave. to larger quarters at King and Dufferin Sts.

Offer Explosive Stock With Escrow Safeguard

Offering of 100,000 shares of 6% preferred stock of Dominion Explosive Products Ltd. is being made at $10 a share by H. R. Cory & Co., Toronto. The company should not be confused with Canadian Industries units with which there is no connection.

John Lumsden, Toronto, managing director of Dominion Explosive Products, formerly owned formulae and processes that the company has purchased from H. R. Cory. The latter received 20,000 preferred shares and 99,995 out of 100,000 common shares in the company for the formulae and processes.

Should 40,000 shares of preferred not be subscribed for by Dec. 31, 1936, it is stated that 90% of all money subscribed will be returned to investors. Guaranty Trust Co. of Canada is to hold in escrow this 90% of subscriptions.

While earnings are estimated at a substantial level by Mr. Lumsden, they have not been established by this company in actual operation With proceeds of stock sales, the prospectus states, the company will acquire a plant at Trenton, Ont. This and the equipment to start operations are estimated to require $332,500.

Brand names under which products were formerly manufactured under John Lumsden are "Dominite," "Blaster's Friend," "Submarine," etc.

H. R. Cory & Co. is selling the preferred shares on a 15% commission basis.

Mackie Elected to Head Canadian Converters Co.

From Our Own Correspondent

MONTREAL.—J. M. Mackie has been elected president of Canadian Converters Co. in succession to the late J. Harvie Roy.

T. R. Rennie has been appointed vice-president and general manager.

Following are directors of the company for the year: R. C. McMichael, K.C., T. J. Rodger, T. M. Barrington, Robert Cherrie, James N. Laing.

Refundings Benefit Many Canadian Cos.

More Than $100 Millions Redeemed With Money Obtained at Lower Rates

In the 12 months ended June 30, 1936, many Canadian companies took advantage of low interest rates to refund preferred and bond issues and thus to improve the position of the junior securities.

Scores of bond issues were also redeemed without refunding but as that is a process which goes on in all periods whether rates of interest are high or low, they are excluded from this tabulation. Such redemptions in most cases improve the position of the companies able to pay off their indebtedness in this way more than refundings would do but they do not come under the category of financing definitely undertaken "to take advantage of opportunities peculiar to the period."

In the accompanying tables are shown only those larger preferred stock and bond issue redemptions which were immediately replaced by new issues at a lower rate. In many cases the new issue was for less total principal than the old. It does not include major C.P.R. and C.N.R. financing at lower rates.

Nearly all the preferred stock issues have been reduced from 7% to 5%. The new bond issues replace former issues carrying rates from 4½% to 7% and the new rates run all the way from 2½% to a temporary rate of 7%. The latter high rate was in the case of Northwestern Utilities. But the latter improved its position materially by the refunding. The 7% rate continues only to 1941 and then pays 6%. The main aid to the company during the lifetime of the bonds is that the new sinking fund provisions are much less onerous.

Ignoring the temporary rates continued in certain cases, the general reduction is to rates running from 2½ to 4½%.

Preferred Stock Redemptions and Conversions

Date redeemed	Company	Old Issue $ millions	Old Rate %	Red. at $	New Issue $ millions	New Rate %
1935:						
June 17	Goodyear Tire	7.2	7	110	6	5
Oct. 15	Int. Milling	4.3	7 & 6	110 & 107½	4.5	5
Nov. 15	Can. Gen. Elec.	8.6	7	115	1.3	5
1936:						
Apr. 1	Cosmos Imperial	1.3	7	105	.5	5
May 1	Canadian Bronze ...	.7	7	110	.75	5
May 1	George Weston	.9	7	110	1.5	5
July 15	Brantford Cordage...	1.4	8	102	1.0	5.20‡

‡Equivalent $1.30 cash. $25 par.

Old Bond Issues Replaced by New

Date redeemed	Company	Old Issue $ millions	Old Rate %	Red. at $	New Issue $ millions	New Rate %
1935						
June 1	N. W. Utilities	1	7	105	2.2	7 to 1938 6 thereafter
Nov. 1	National Grocers ...	1.2	6	105	1.2	4
Dec. 1	Montreal Coke & M.	3.6	5½	102	3.4	3½ & 4
1936:						
Jan. 1	Canada Packers	5.9	7	110	6.0	3.4
Jan. 1	Nfld. Lt. & Pr. Co. ..	1.3	6½	105	1.4	4½
Jan. 1	Mar. T. & T.	1.5	6	110	1.5	6 to '41 & then 4½
Jan. 1	Acadia Sugar Ref. ..	1.7	6	103	1.5	4½
Jan. 15	Inter. P. & P.	£1.9	4½	100	£1.9	3 guar.
Feb. 1	Hamilton By-Prod..	1.2	7	102		
		1.3	6½	102	2.5	5
Feb. 1	T. Eaton Realty	11.0	5	100	†	
Mar. 1	Unit. Amuse.	1.2	6	103	1.25	5
Apr. 9	Burrard Dryd.	1.5 ser.	5	105	1.8	2½, 3 & 3½
Apr. 1	Mtl. Lt., H., Pr.	39.2*	5	104 & 105	15.0	2½ & 3½
May 1	Wabasso Cotton	.7	6	110	3.0	Series A 3½, 4 & 4½
May 1	Shawinigan Pr.	15.0	5	105	17.0	4
May 29	B. A. Oil	4.1	5	103	4.0	2½ & 3
July 2	Can. Canners	2.3	6	105	3.5	Serial A 3 & 4 conv. bonds
	Dom. Canners	.8	6	105		
July 1	Fam. Players	7.5	6 & 6½	103	2.1	3, 3½ & 4½

*Including $11.6 millions redeemed September 1, 1935,
†Placed privately. Details not known.
Note:—There were about 3 times as many issues which were redeemed outright.

Bruck Silk Dividend Conforms to Earnings

From Our Own Correspondent

MONTREAL. — Reason for the action of Bruck Silk Mills reducing the dividend to 10 cents quarterly is set forth in the letter covering the current dividend cheque.

"In the opinion of your directors," the notice says, "this reduction of dividends to 10 cents was necessary and in the best interests of your company, notwithstanding your company's strong liquid position. In the opinion of your directors, the general unsatisfactory conditions which have prevailed in the textile industry of Canada during the past 8 months resulted in your company not having produced earnings to justify the former dividend. Your company's fall lines are meeting with a good reception and if this continues it is hoped by your directors that the dividend can be increased."

St. Catherine Improvement Passes Up Bond Interest

From Our Own Correspondent

MONTREAL.—St. Catherine Improvement Co., Montreal, failed to pay interest on July 1 on its 6½% first (closed) mortgage leasehold bonds.

Since July 1, 1933, the company has been in default of the sinking fund and 2 meetings of bondholders have been called for the purpose of considering a plan for re-establishing the financial position of the company. No action was taken at either meeting, due to the failure to secure a quorum.

It is now planned to call another meeting of the bondholders next month, at which time they will be asked to agree to reduction in the coupon rate from 6½% to 5%. The difference of 1½% will be used to build up a sinking fund. It is understood the company can maintain the 5% rate without any difficulty.

LEGAL AND PROFESSIONAL DIRECTORY

PEARSON, RUTLEDGE & DONALD
BARRISTERS, SOLICITORS, &c.
G. FRED PEARSON, K.C.
J. E. RUTLEDGE, K.C.
ROBERT T. DONALD, LL.B.
CABLE ADDRESS: "PEARSON." HALIFAX
Chronicle Building
Halifax, Nova Scotia

Pitblado, Hoskin, Grundy, Bennest and Drummond-Hay
Pitblado, Hoskin, Turner, McEwen and Alsaker
Barristers, Solicitors, Etc.
Hamilton Building
WINNIPEG, CANADA

Victor A. Sinclair, K.C.
Formerly Chairman, Workmen's Compensation Board, Ontario.
Special attention Workmen's Compensation, Social Insurance, Life Insurance, Corporation and Commercial Law.
1503 Canada Permanent Bldg.,
TORONTO, CANADA

REID, WALLBRIDGE, GIBSON & SUTTON
Barristers, Solicitors, etc.
R. L. Reid, K.C. D. S. Wallbridge
J. G. Gibson W. A. Sutton
YORKSHIRE BUILDING
VANCOUVER, B.C.

First in
Quality, Beauty, Efficiency,
Adaptability and Economy
DONNACONA
INSULATING PRODUCTS
Ask your local dealer for particulars and folders or write to us direct
ALEXANDER MURRAY & CO. LIMITED
Montreal Toronto Halifax Saint John Winnipeg Vancouver
D-23-36

CHARTERED ACCOUNTANTS

WM. ROBERTSON
Chartered Accountant
KITCHENER
Ontario

Robertson, Robinson, McCannell & Dick
CHARTERED ACCOUNTANTS
D. H. McCANNELL—Licensed Trustee in Bankruptcy
Sterling Tower, Toronto

RONALD, GRIGGS & CO.
Chartered Accountants
Winnipeg
Saskatoon

MILLAR, MACDONALD & CO.
CHARTERED ACCOUNTANTS
WINNIPEG MANITOBA

J. P. LANGLEY & CO.
C. P. ROBERTS, F. C. A.
Chartered Accountants
TORONTO
KIRKLAND LAKE
ONTARIO

WILTON C. EDDIS & SONS
Established 1895
CHARTERED ACCOUNTANTS
Federal Building, Toronto

McDONALD CURRIE & CO.
CHARTERED ACCOUNTANTS
Montreal Toronto Quebec Ottawa

J. M. Dunwoody, C.A.
C. W. Nicholl, C.A. Thos. E. Saul, C.A.
DUNWOODY, NICHOLL, SAUL & CO.
CHARTERED ACCOUNTANTS
WINNIPEG, MANITOBA

T. A. GETTY
Chartered Accountant
Suite 302, Walter Scott Bldg.
Moose Jaw, Sask.

RUTHERFORD WILLIAMSON & CO.
CHARTERED ACCOUNTANTS
RUTHERFORD WILLIAMSON, F.C.A., HAROLD A. SHIACH, F.C.A.,
TORONTO, MONTREAL
Licensed Trustees and Receivers
Rutherford Williamson, F.C.A. F. R. McCutcheon, C.A.

E. R. C. CLARKSON & SONS
Licensed Trustees and Receivers
CLARKSON, GORDON, DILWORTH & NASH
CHARTERED ACCOUNTANTS
15 Wellington Street West, Toronto
Toronto—Montreal—Ottawa

The BACHELOR'S COLUMN
ITS COOLER INSIDE
NOW SHOWING
BACHELOR

Summer Bachelors

YOU see more than the ordinary number of unattached males prowling the streets these fine evenings . . . Or wandering in and out of theatres and restaurants . . . It is not true that these creatures have no homes . . . Nor are they fugitives from justice . . . Merely summer bachelors who don't know what to do with themselves . . . Sooner or later, they'll discover the proper antidote . . . Namely, a comfortable leather arm chair and the soothing influence of a fragrant Havana Bachelor cigar . . . Yes, summer bachelors and Bachelor cigars ought to get together.

"IT'S GOOD TO GET BACK TO A 10c CIGAR"

WILSON'S BACHELOR Cigar
10¢
100% Havana Filler

A. J. PATTISON Jr. & CO. Ltd.
Established 1907
CORPORATION SECURITIES
Royal Bank — EL. 5101
TORONTO

GLOBE ENVELOPES
Makers of Well Gummed Envelopes
560 ADELAIDE STREET WEST—TORONTO

TO SERVE CANADA'S INDUSTRIES

RELIABLE, economical, thoroughly tested and approved by many of Canada's leading industrial and transportation companies. "Marathon" Industrial Lubricants prove their worth under any and all operating conditions. Our Research Staff are working constantly with production experts to perfect lubricants that smooth the wheels of industry and cut repairs and replacements to an irreducible minimum.

That's why many McColl-Frontenac customers consider the operating cost as represented by "Marathon" Industrial Lubricants a credit to Increased production instead of a plant expense. If you have a problem in lubrication — call in the McCOLL-FRONTENAC Lubrication expert. He can solve it!

Made in Canada — To Serve Canada's Industries.

Call in this man!

He is the McColl-Frontenac Lubrication Engineer, fully qualified to survey your plant and recommend the correct grade of lubricant at all danger points. Feel free to call on his experience at any time—his job is to serve you and save you money.

McCOLL-FRONTENAC OIL CO. LIMITED
THERE IS A SERVICE BRANCH NEAR YOU—WRITE OR TELEPHONE